



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: May 3, 2006

Time: 7:00 p.m.

For information regarding this Agenda please contact:

Susan J. Blackston

City Clerk

Telephone: (209) 333-6702

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.

C-1 Call to Order / Roll Call – N/A

C-2 Announcement of Closed Session – None

C-3 Adjourn to Closed Session – N/A

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action – N/A

A. Call to Order / Roll call

B. Invocation – Reverend David Hill, Grace Presbyterian Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards

a) Presentation of "Firefighter of the Year 2005" plaque to Firefighter Michael Alegre II (FD)

D-2 Proclamations

a) Zinfandel Month

b) American Lung Association's Clean Air Month

c) Veteran Appreciation Month

d) Peace Officer Memorial Month (PD)

e) National Public Works Week (PW)

D-3 Presentations

a) Update on Centennial activities (CLK)

E. Consent Calendar (Reading; comments by the public; Council action)

E-1 Receive Register of Claims in the amount of \$2,223,745.24 (FIN)

E-2 Approve minutes (CLK)

a) February 28, 2006 (Shirtsleeve Session)

b) March 14, 2006 (Shirtsleeve Session)

c) March 14, 2006 (Special Joint Meeting w/Lodi Budget/Finance Committee)

d) March 28, 2006 (Shirtsleeve Session)

e) March 28, 2006 (Special Meeting)

f) April 4, 2006 (Shirtsleeve Session)

g) April 5, 2006 (Regular Meeting)

- E-3 Authorize advertisement for bids for the sale of surplus overhead all aluminum conductor and related material (EUD)
- Res. E-4 Adopt resolution awarding the contract for playground improvements at Peterson Park "West" Playground, 199 Evergreen Drive, to A.M. Stephens Construction, of Lodi (\$86,978) (PR)
- Res. E-5 Adopt resolution awarding the bid for the purchase of White Slough Water Pollution Control Facility telephone system replacement from AT&T (SBC), of Stockton, under the terms of the State of California CALNET contract (\$44,000) (ISD)
- Res. E-6 Adopt resolution approving pedestrian safety improvements on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive with funds provided by the Lodi Unified School District for the benefit of Washington and Lakewood Elementary schools (PW)
- E-7 Accept improvements under contract for Lockeford Street Water Main (Church Street to Sacramento Street) and Olive Court Water Main Replacement (Pleasant Avenue to Church Street) Project (PW)
- Res. E-8 Adopt resolution authorizing the City Manager to execute Contract Change Order with Western Water Constructors, Inc., of Santa Rosa, for payment of services for work associated with emergency repair of 48-inch domestic sewer outfall pipe at White Slough Water Pollution Control Facility and appropriating \$88,000 (PW)
- Res. E-9 Adopt resolution approving improvement deferral agreement for 1243 East Harney Lane (PW)
- Res. E-10 Adopt resolution approving the master lease agreement between the City of Lodi and Lodi Grape Festival and National Wine Show Association for use of various festival ground facilities that will serve both indoor and outdoor recreational programs, which will run for the period July 1, 2006 to June 30, 2011, at a lease rate of \$20,000 per year (PR)
- Res. E-11 Adopt resolution authorizing transfer of \$202,200 in Community Development Block Grant funds from project 02-07 Housing Assistance Programs to project 05-02 LOEL Senior Housing Acquisition Project (CD)
- E-12 Re-set public hearing for June 7, 2006, to consider adopting resolution implementing previously authorized Consumer Price Index-based water and wastewater rates (PW)

F. Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

G. Comments by the City Council Members on non-agenda items

H. Comments by the City Manager on non-agenda items

I. Public Hearings – None

J. Communications

- J-1 Claims filed against the City of Lodi – None
- J-2 Appointments
 - a) Post for one vacancy on the Lodi Animal Shelter Task Force (CLK)
- J-3 Miscellaneous – None

K. Regular Calendar

- Res. K-1 Adopt resolution amending Public Works Department engineering fees for various development services; amending Community Improvement fees for administrative procedures; and amending Planning fees to add pre-development review and hourly charges (PW / CD)
NOTE: This item is carried over from the meeting of 4/19/06
- Res. K-2 Adopt resolution authorizing the City Manager to execute professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for preparation of Travel Demand Forecasting Model for General Plan update and appropriating funds (\$160,000) (PW)
NOTE: This item is carried over from the meeting of 4/19/06
- Res. K-3 Adopt resolution complying with the order of the San Joaquin County Superior Court dated February 10, 2006, to vacate approval of the resolutions regarding the Lodi Shopping Center: a) certification of Environmental Impact Report 03-01 (SC#2003042113); b) approval of Use Permit U-02-12; and c) approval of Tentative Parcel Map 03-P-001; and adopt resolution authorizing the City Manager to execute two agreements to prepare Environmental Impact Report amendments for the Lodi Shopping Center: one with Pacific Municipal Consultants for \$72,000 and one with Bay Area Economics for \$46,075 (CD)
Res. **NOTE: This item is carried over from the meeting of 4/19/06**
- K-4 Authorization to fill a previously "frozen" Junior/Assistant/Associate Planner position in the Community Development Department (CM)
NOTE: This item is carried over from the meeting of 4/19/06
- K-5 Authorize the City Manager to execute fee adjustment agreement for Vintage Oaks Subdivision (PW)
NOTE: This item is carried over from the meeting of 4/19/06
- K-6 Authorize the City Manager and City Attorney to enter into negotiations with San Joaquin County for provision of domestic wastewater treatment services for County Service Area 31 (Flag City) and proceed on necessary studies (PW)
- Res. K-7 Adopt resolution approving artwork for elevated water tank and appropriating funds for artwork application (\$30,000) (PW)
- Res. K-8 Adopt resolution authorizing the City Manager to cancel the original plan of reconstructing Killelea Substation and installing two 60kV power circuit breakers at Industrial Substation; to implement the scaled-back rehabilitation project of Killelea Substation; to have Power Engineers, Inc., of Hailey, ID, re-scope, re-engineer, and re-design the scaled-back project; and to negotiate its construction with Rosendin Electric, Inc., of San Jose, CA (\$3,479,110) (EUD)
- K-9 Receive information regarding transfer of funds to the Electric Utility Capital Outlay Fund 161 (\$2,000,000) (EUD)
- Res. K-10 Adopt resolution authorizing the City Manager to execute Task Order with Treadwell & Rollo for PCE Central Plume Remediation Phase I Dual Phase (Soil Vapor and Groundwater) Extraction Project (\$302,000) and revising hourly rates (PW)

L. Ordinances – None

M. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Susan J. Blackston
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Present "Firefighter of the Year 2005" Plaque to Firefighter Michael Alegre II

MEETING DATE: May 3, 2006

PREPARED BY: Michael E. Pretz, Fire Chief

RECOMMENDED ACTION: Presentation

BACKGROUND INFORMATION: Chief Pretz will present the "Firefighter of the Year 2005" plaque to Firefighter Michael Alegre II.

FISCAL IMPACT: None

FUNDING AVAILABLE: None Required

Michael E. Pretz, Fire Chief

MEP/lh

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Zinfandel Month

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That Mayor Hitchcock present a proclamation proclaiming the month of May 2006 as "Zinfandel Month" in the City of Lodi.

BACKGROUND INFORMATION: The Mayor has been requested to present a proclamation proclaiming the month of May 2006 as "Zinfandel Month" in the City of Lodi. Mark Chandler, representing the Lodi-Woodbridge Winegrape Commission, will be at the meeting to accept the proclamation.

FISCAL IMPACT: N/A

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

APPROVED: _____
Blair King, City Manager



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: American Lung Association's Clean Air Month

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That Mayor Hitchcock present a proclamation proclaiming the month of May 2006 as the American Lung Association's "Clean Air Month" in the City of Lodi.

BACKGROUND INFORMATION: The Mayor has been requested to present a proclamation proclaiming the month of May 2006 as the American Lung Association's "Clean Air Month" in the City of Lodi. Darlene DeMarco, E.D., and Vanessa Garner, Executive Assistant, representing the American Lung Association, will be at the meeting to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

SJB/JLT

APPROVED: _____
Blair King, City Manager



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Veteran Appreciation Month

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That Mayor Hitchcock present a proclamation proclaiming the month of May 2006 as "Veteran Appreciation Month" in the City of Lodi.

BACKGROUND INFORMATION: The Mayor has been requested to present a proclamation proclaiming the month of May 2006 as "Veteran Appreciation Month" in the City of Lodi. John Bird, President of the Lodi Area All Veterans Foundation, will be at the meeting to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

SJB/JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Peace Officer Memorial Month

MEETING DATE: May 3, 2006

PREPARED BY: Jerry J. Adams, Chief of Police

RECOMMENDED ACTION: That the City Council proclaims the Month of May, 2006, to be known as Peace Officer Memorial Month throughout the City of Lodi.

BACKGROUND INFORMATION: The Lodi Police Department requests that the Council make this proclamation in keeping with such tributes at the state and national level. This year, the week of May 14 through May 20 is designated National Police Week, while May 5 is the date of the California Peace Officer Memorial Ceremony. These ceremonies are held annually to honor the memory of over 17,400 law enforcement officers who have lost their lives in the line of duty throughout the United States. Of the 156 line of duty deaths in 2005, California's loss was 18 officers.

Members of the Lodi Police Department, led by its Honor Guard, will hold a ceremony early the morning of May 3 at the gravesite of Officer Rick Cromwell (5/7/63 – 12/9/98), the only Lodi Police Officer ever lost in the line of duty. They will continue on to the Stockton Police Department where the Stockton Police Officers Association will hold Memorial Services honoring fallen law enforcement officers from throughout San Joaquin County. On Friday, May 5 the Lodi Police Honor Guard will participate in the California Memorial Ceremony in Sacramento.

This was a particularly tragic year for the California Highway Patrol. In the past six months they have lost six officers; four died between September and December 2005 and two more this past February 2006. Our deepest sympathies go out to their families, CHP Commissioner Mike Brown, and all the men and women of the California Highway Patrol.

An inscription at the California State Memorial reads: "Go, stranger, and tell the (people) that we lie here in obedience to their laws." We urge the City Council to join in this message, honoring our fallen Peace Officers.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: None

FUNDING AVAILABLE: N/A

Jerry J. Adams
Chief of Police

cc: City Attorney



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: National Public Works Week Proclamation

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That Mayor Hitchcock present a proclamation proclaiming the week of May 21-27, 2006, as "National Public Works Week".

BACKGROUND INFORMATION: Public Works Week is a national event to educate the public on how important the contribution of Public Works is to their daily lives. This year's theme is "Public Works: The Heart of Every Community". This theme reflects how important Public Works is to our community. The men and women in Public Works who plan, design, build and maintain our water, wastewater, drainage and street systems, City buildings, and fleet, and who are responsible for the City's transit and solid waste services are the "heart" of the community.

The Public Works Department will host tours at the Municipal Service Center on May 24th for some of the local elementary school classes. The children will learn about the importance of the different jobs and responsibilities of the department to the community. The tours will show how various pieces of equipment work, along with live demonstrations which emphasize the safety precautions to be used while around the equipment.

A representative of the Public Works Department will be present to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Update on Centennial Activities

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: None required.

BACKGROUND INFORMATION: City Clerk Blackston will give an update on the Centennial activities being planned for 2006.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

SJB/JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated April 18, 2006 in the Amount of \$2,223,745.24

MEETING DATE: May 3, 2006

PREPARED BY: Management Analyst

RECOMMENDED ACTION: That the City Council receive the attached Register of Claims. The disclosure of the PCE/TCE expenditures is shown as a separate item on the Register of Claims.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$2,223,745.24 dated 4/18/2006 which includes PCE/TCE payments of \$165,110.29 and Payroll in the amount of \$1,118,859.82

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R Paiste, Interim Finance Director

RRP/kb

Attachments

APPROVED: _____
Blair King, City Manager

1		Accounts Payable	Page	-
		Council Report	Date	- 04/18/06
	As of	Fund	Name	Amount
	Thursday			
	-----	-----	-----	-----
04/06/06	00100	General Fund		649,577.92
	00160	Electric Utility Fund		4,044.99
	00164	Public Benefits Fund		9,951.46
	00170	Waste Water Utility Fund		17,759.05
	00173	IMF Wastewater Facilities		3,148.50
	00180	Water Utility Fund		5,634.46
	00181	Water Utility-Capital Outlay		43,745.15
	00210	Library Fund		10,919.38
	00234	Local Law Enforce Block Grant		205.80
	00235	LPD-Public Safety Prog AB 1913		5,117.50
	00270	Employee Benefits		28,607.62
	00310	Worker's Comp Insurance		24,125.95
	00329	TDA - Streets		4,107.00
	00340	Comm Dev Special Rev Fund		2,714.61
	00510	SJ MultiSpecies Habitat Conser		111.16
	01212	Parks & Rec Capital		136.73
	01241	LTF-Pedestrian/Bike		900.00
	01250	Dial-a-Ride/Transportation		4,532.16
	01410	Expendable Trust		16,062.81

Sum				831,402.25

Total for Week				
Sum				831,402.25

1		Accounts Payable	Page	-
		Council Report	Date	- 04/18/06
As of	Fund	Name	Amount	
Thursday				
-----	-----	-----	-----	
04/13/06	00100	General Fund	700,039.80	
	00123	Info Systems Replacement Fund	2,700.00	
	00160	Electric Utility Fund	12,884.45	
	00161	Utility Outlay Reserve Fund	266.88	
	00164	Public Benefits Fund	11,953.56	
	00170	Waste Water Utility Fund	15,576.92	
	00172	Waste Water Capital Reserve	7,516.23	
	00180	Water Utility Fund	6,126.76	
	00181	Water Utility-Capital Outlay	448.28	
	00182	IMF Water Facilities	44,292.60	
	00210	Library Fund	2,442.25	
	00270	Employee Benefits	346,916.71	
	00340	Comm Dev Special Rev Fund	36,136.76	
	01211	Capital Outlay/General Fund	444.73	
	01217	IMF Parks & Rec Facilities	3.36	
	01241	LTF-Pedestrian/Bike	5,506.00	
	01250	Dial-a-Ride/Transportation	10,521.30	
	01410	Expendable Trust	23,456.11	

Sum			1,227,232.70	
	00183	Water PCE-TCE	165,110.29	

Sum			165,110.29	

Total for Week				
Sum			1,392,342.99	

Council Report for Payroll

Page -

1

Date -

04/18/06

Payroll	Pay Per Date	Co	Name	Gross Pay
-----	-----	-----	-----	-----
-				
Regular	04/09/06	00100	General Fund	801,441.97
		00160	Electric Utility Fund	147,278.81
		00164	Public Benefits Fund	5,023.96
		00170	Waste Water Utility Fund	74,141.09
		00180	Water Utility Fund	8,914.99
		00210	Library Fund	32,060.62
		00235	LPD-Public Safety Prog AB 1913	160.81
		00340	Comm Dev Special Rev Fund	46,985.40
		01250	Dial-a-Ride/Transportation	2,852.17

Pay Period Total:				
Sum				1,118,859.82



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes

- a) February 28, 2006 (Shirtsleeve Session)
- b) March 14, 2006 (Shirtsleeve Session)
- c) March 14, 2006 (Special Joint Meeting w/Lodi Budget/Finance Committee)
- d) March 28, 2006 (Shirtsleeve Session)
- e) March 28, 2006 (Special Meeting)
- f) April 4, 2006 (Shirtsleeve Session)
- g) April 5, 2006 (Regular Meeting)

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the City Council approve the following minutes as prepared:

- a) February 28, 2006 (Shirtsleeve Session)
- b) March 14, 2006 (Shirtsleeve Session)
- c) March 14, 2006 (Special Joint Meeting w/Lodi Budget/Finance Committee)
- d) March 28, 2006 (Shirtsleeve Session)
- e) March 28, 2006 (Special Meeting)
- f) April 4, 2006 (Shirtsleeve Session)
- g) April 5, 2006 (Regular Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibit A through G.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

SJB/JMP
Attachments

APPROVED: _____
Blair King, City Manager

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, FEBRUARY 28, 2006**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, February 28, 2006, commencing at 7:02 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – *Hansen

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

**NOTE: Council Member Hansen was absent due to his attendance at the American Public Power Association Legislative Rally in Washington, D.C.*

B. TOPIC(S)

B-1 "Set-aside of Community Development Block Grant funds for an Economic Development Program"

Joseph Wood, Community Improvement Manager, noted that the March 1 City Council agenda will include a request for \$150,000 set-aside of Community Development Block Grant (CDBG) funds for an economic development program.

Carleen Bedwell, Managing Principal of *Applied Development Economics*, stated that her firm assists cities and counties with economic development. She reported that, by state law, 30% of small communities' CDBG money goes into economic development. Currently, there are 180 small cities and some counties that are in the state program. Lodi has an economic development strategy that focuses on retail and industrial development. She stated that Lodi also has the opportunity to use CDBG money to assist in job growth. CDBG money must be used to meet national objectives of benefiting low- and moderate-income persons, meeting an urgent need that is a health and safety issue, and to addressing slums and blight. Ms. Bedwell explained that the public benefit in economic development programs is job creation for low- and moderate-income persons, with one job created per \$35,000 in CDBG funds. The money is used to leverage private investment. It is an incentive to generate business growth. Ms. Bedwell stated that the best use of the money would be in a loan to businesses. The state requires that the job creation occur within two years; however, the county is more flexible. The county is strongly encouraging and cooperative about the City of Lodi initiating the economic development component of CDBG because it wants to use it as a model for other communities within the county.

City Manager King commented that this program would not only leverage private investment, but on the repayment side, it could capitalize a revolving loan fund. He reported that several heavy manufacturing businesses in Lodi have expressed an interest in purchasing equipment if an affordable interest rate loan were available. Businesses that have expressed an interest in a CDBG economic development program include Holtz Rubber, Cottage Bakery, and Hampton Inn.

Community Development Director Hatch explained that many small jurisdictions have joined the county in a consortium and are bound by federal regulations for the program. The county provides oversight and administration. At set points in time, cities have an opportunity to leave the consortium and administer the program on their own behalf. Lodi has two more years on its contract with the county to administer the CDBG program.

Ms. Bedwell stated that federal regulations allow for business assistance loans, money for public infrastructure that is associated with a business project, and micro enterprise programs for businesses that have five or fewer employees (at least one of which is an owner). In addition, economic development services can be paid for in relation to a particular business project such as assistance with training. Ms. Bedwell stated that details of the program would be brought back to Council for its consideration and approval.

In reply to Mayor Pro Tempore Johnson, Ms. Bedwell stated that the City would be protected in the case of default by having sufficient collateral built into the loan. The federal government requires an underwriting analysis, the details of which will be contained in the guidelines that will be brought forward to Council. She noted that the underwriting analysis could be done by a consultant, city staff, or the county. A loan committee would make a recommendation to the representative of the City responsible for approving loans.

Discussion ensued regarding administration fees. City Manager King reported that the county takes over \$200,000 from the CDBG program for administrative fees. Mr. Wood added that the City is allocated a separate amount for its administration of the program.

In response to Council Member Mounce, Mr. King confirmed that eminent domain is not allowable under the program.

PUBLIC COMMENTS:

- Myrna Wetzel asked for clarification on the allocation of funding and whether it stays within the City limits.

Ms. Bedwell replied that, normally, the funds go to businesses inside the City limits.

Mr. Wood explained that the federal allocation distributed to the county is done through a formula based on population and the percentage of low to moderate income within the population.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:18 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 14, 2006**

The March 14, 2006, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL JOINT CITY COUNCIL MEETING
WITH THE LODI BUDGET/FINANCE COMMITTEE
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 14, 2006**

A. CALL TO ORDER / ROLL CALL

The Special Joint City Council meeting with the Lodi Budget/Finance Committee of March 14, 2006, was called to order by Mayor Hitchcock at 7:01 a.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Present: Lodi Budget/Finance Committee – Alegre, Domingo, Harris-Wall, Johnson, Roberts, Russell, and Chairman Kirsten

Absent: Lodi Budget/Finance Committee – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. Topic(s)

B-1 “City Council review and provide direction to the Lodi Budget/Finance Committee with regard to the fiscal year 2006-07 budget”

Deputy City Manager Krueger reported that the Budget/Finance Committee has met monthly since August 2005. Thus far, educational presentations have been made to the Committee. Concerns have been raised about internal service funds for facilities and fleet maintenance, deferred maintenance, and the impact of new development on delivery of services and program budgets. He reviewed a “blue sheet” (filed) listing 2006-07 budget calendar dates. The purpose of today’s meeting is for the Committee to obtain direction from the Council on its role and responsibilities.

Chairman Kirsten commented that the City has dedicated considerable time and resources to educate the Committee on various budget and finance issues. He asked Council in what direction it would like the Committee to proceed.

Mayor Pro Tempore Johnson suggested that the Committee take a “grand jury” approach on a topic, focus on it, and return to Council with comments and recommendations. Once completed, the Committee could choose another topic of interest and repeat the process. Mr. Johnson recalled that, when the Budget/Finance Committee was originally formed, he had hoped it would serve to assist and complement the Council with the City’s annual budget process.

Committee Member Johnson asked Council for input on what topics should be considered by the Committee. In reference to the budget calendar, he pointed out that the Committee would not have adequate time to study the entire budget and provide Council with recommendations on it before the anticipated adoption date. He stated that at the Committee’s first meeting, members were informed that they would serve in an advisory role and offer advice to the City Manager and then to the City Council on “higher level issues” and challenges that face the City. Early on in the process, the Committee adopted a motion stating *“that, after receiving a copy of the 2006-07 budget, the Budget/Finance Committee would make recommendations to the City Manager related to citywide operating efficiencies, but would not engage in a detailed review of operating efficiencies of individual departments.”*

Council Member Beckman recommended that the Committee focus on the Electric Utility, as it has the biggest impact on the City. He recalled that when the Committee was first created his intent was that it review the entire budget and form a consensus on what recommendations to bring to Council. He suggested that this approach could still be taken and, following the adoption of the budget, the Committee could focus on a single topic of interest.

Committee Member Alegre had thought the Budget/Finance Committee was created for the purpose of investigating departments to determine where deficiencies and inefficiencies were occurring. He noted that this cannot be effectuated by only looking at budget spreadsheets; on-site investigations would be necessary.

City Manager King explained that the budget process includes internal lobbying efforts and he questioned how productive it would be for this to occur with another group. He felt that a single topic, such as the internal service fund, would be a better avenue for the Committee to take.

Committee Member Domingo did not feel that it was the job of the Budget/Finance Committee to get involved in the daily affairs of the City. She stated that there is not adequate time available to make recommendations to the Council on the budget prior to its adoption. She favored the Committee focusing on one topic at a time.

Committee Member Roberts agreed with Ms. Domingo noting that Committee Members do not have knowledge on the day-to-day operations of the City, which would be needed in order to make evaluations.

Committee Member Harris-Wall supported the idea of focusing on one topic and agreed that there was insufficient time to review and make recommendations on the entire budget.

Committee Member Russell also agreed on the "one topic" suggestion and that there was not enough time for a full budget review prior to Council's adoption.

Council Member Hansen stated that the Electric Utility is very complicated and it would likely take a couple years of study to fully understand. He believed that the City needs to develop policies and direction to get back on track to financial stability. Strong reserve funds are needed with policies to protect them. He suggested that the Committee focus on the issue of deferred facilities and fleet maintenance and internal service funds.

Council Member Mounce stated that when the Budget/Finance Committee was first created she had thought it would be a great way to get community input from people with a different perspective, that were independent thinkers, and completely impartial. She suggested that the Committee focus half the year on reviewing the budget and developing recommendations to bring to Council and the remainder of the year focusing on one or two topics it selects as the most important.

Mayor Hitchcock had hoped that the Budget/Finance Committee could review the entire budget as a "shadow" of the Council. She noted that policy issues are the responsibility of the Council.

Committee Member Johnson reported that the Committee already considered the internal service fund and recommended that the City Manager implement internal service funds for both fleet and facilities.

Committee Member Alegre recalled that the former "Efficiency Committee" was disbanded for political reasons. He stated that this occurred because the committee members were asking questions to which some in the City objected. He reiterated that the City has deficiency and productivity issues that need to be addressed and felt it should be done by the Budget/Finance Committee.

Council Member Beckman expressed agreement with Mr. Hansen's suggestions for topics that the Committee should focus on, i.e. deferred maintenance and internal service funds, and added that the Committee could consider how to implement it over time and what the impacts would be.

MOTION:

Mayor Pro Tempore Johnson made a motion, Mounce second, to allow the Budget/Finance Committee to choose one or two departments, delve into it as deeply as they feel necessary, and come back to Council with recommendations on how to make the departments more efficient and effective.

NOTE: Council Member Mounce left the meeting at 8:30 a.m.

City Attorney Schwabauer recommended that Council seek another second to the motion, as Ms. Mounce left the meeting before the vote was taken.

Council Member Beckman seconded the above motion.

DISCUSSION:

Committee Member Harris-Wall spoke in support of the Budget/Finance Committee attending Shirtsleeve Sessions, at which the budget will be reviewed and department presentations given. Through the process, the Committee could then consider the budget as a whole and provide Council with its recommendations. Following the budget adoption, the Committee could focus on specific topics.

Committee Member Domingo voiced support for the motion as articulated by Mayor Pro Tempore Johnson.

Committee Member Roberts asked for clarification of the motion, to which Mayor Pro Tempore Johnson replied that the Committee is to choose no more than two topics at a time to investigate as thoroughly as it deems necessary and to bring suggestions for improvements to the City Manager and City Council. The choice of topics would be up to the Committee to decide upon and changes could be made if another issue arose that was more time sensitive or important.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Mounce

C. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 8:41 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
 INFORMAL INFORMATIONAL MEETING
 "SHIRTSLEEVE" SESSION
 CARNEGIE FORUM, 305 WEST PINE STREET
 TUESDAY, MARCH 28, 2006**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, March 28, 2006, commencing at 7:25 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock
 Absent: Council Members – None
 Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. TOPIC(S)

B-1 "Utilities Quarterly Update"

With the aid of an overhead presentation (filed), Electric Utility Director Morrow reported that the target for this fiscal year was \$60 million in revenue. The cost of purchasing power was budgeted at \$42 million and halfway through the year the actual amount spent was \$22 million. One of the geothermal units was down toward the end of the year and replacement power needed to be purchased in November/December. Debt service shows \$850,000 in expenses with a budget of \$5.6 million. He noted that the amount budgeted for debt service will be spent and explained that the year to date figure is skewed because not all of the information is on the books yet. Toward the end of the fiscal year, it will be determined if some of the capital expenditures can be reserved out using bond funds. A reduction of \$4 million in the cash position is due to having only a partial year of the rate impact and a \$10 million increase in power costs.

Deputy City Manager Krueger noted that staff tried to anticipate what would be spent out of rate revenues for capital maintenance. Staff is currently going through the process of analyzing the capital project expenditures that were included in the original debt financing package. He reported that there were debt financing proceeds remaining, which should be utilized.

City Manager King reported that staff has identified four capital projects on which to use bond proceeds. He suggested that the money that was going to go toward the Electric Utility corporation yard be used as "seed money" for the power generation projects that the City is participating in with the Northern California Power Agency.

Mr. Krueger stated that by the end of March 31 some of the expenditures listed in the \$10,521,000 "Non-Power Costs" would be reclassified as capital projects. He stated that the difference between 2005 and 2006 is the portion of the rate increase that was realized in this fiscal year (\$5 million). In fiscal year 2007, it increases \$6 million and there is a projected growth in customers. He reported that "days cash" available in 2004 was at 48, in 2005 it increased to 61 days worth of operating expenditures, and in fiscal year 2006 it decreased to 22 days.

Mr. Morrow reported that the cash balance in the current year would be decreasing from \$7.3 million to \$2 million. All needed electricity has been procured for fiscal year 2006 and 80% of the City's needed electricity has been purchased for fiscal year 2007. He stated that the White Slough project would probably not be done until 2010. There is a committed interest for 143 megawatts of the 255 megawatts available in the project. Mr. Morrow reviewed charts (filed) illustrating the City's open position, as well as electricity and gas prices. In summary, Mr. Morrow predicted that fiscal year 2006 would be a difficult financial year and there would be improvement in 2007.

Council Member Hansen asked that Council be given the quarterly reports to review prior to the meetings.

With the aid of an overhead presentation (filed), Public Works Director Prima reported that the total of water operating accounts are at 57%, which is just below the target for February. There is money in the budget to use toward design work, once it is decided how to use the Woodbridge Irrigation District water supply. Direction will be sought from Council about this in April. In the "PCE/TCE" account, half of the amount budgeted has been spent. A number of projects at White Slough were budgeted for in the Wastewater Capital account; however, it is still in the design phase so this may not happen until next year. Mr. Prima stated that he was fairly certain the groundwater study currently being conducted would result in the need for additional land or a change in processes to reduce impacts to land and groundwater. He reported that staff does not yet know if the City will fall under the state general permit or whether the Regional Board will have additional requirements when the new permit is issued. There has been an increase in record keeping and reporting and an emphasis on capital replacement and overflow issues.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:32 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 28, 2006**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of March 28, 2006, was called to order by Mayor Hitchcock at 7:03 a.m.

Present: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Absent: Council Member – Mounce

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. CLOSED SESSION

At 7:03 a.m., Mayor Hitchcock adjourned the Special City Council meeting to a Closed Session to discuss the following matter:

B-1 Actual litigation: Government Code §54956.9(a); one case; Pacific Bell Telephone Company, a California corporation doing business as AT&T California, v. City of Lodi et al., San Joaquin County Superior Court, Case No. CV028523

The Closed Session adjourned at 7:25 a.m.

C. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:25 a.m., Mayor Hitchcock reconvened the Special City Council meeting, and City Attorney Schwabauer disclosed that no reportable action was taken in closed session.

D. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 7:25 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
 INFORMAL INFORMATIONAL MEETING
 "SHIRTSLEEVE" SESSION
 CARNEGIE FORUM, 305 WEST PINE STREET
 TUESDAY, APRIL 4, 2006**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 4, 2006, commencing at 7:02 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Member – *Beckman

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

*NOTE: Council Member Beckman was absent due to his attendance at the San Joaquin Council of Governments "One Voice" event in Washington, D.C.

B. TOPIC(S)

B-1 "Presentation regarding Delta College"

City Manager King reported that on March 8 the Delta College Board of Trustees announced its intention to seek a new campus on the Victor Road/Highway 12 site in Lodi.

Dr. Della Condon, Assistant Superintendent and Vice President of Instructional Services, stated that Delta College's mission in this project is to develop and build a legacy for the future, providing access to knowledge for future generations of the City of Lodi. Lodi demographics and industry needs coincide with programs that have been proposed for the campus: 1) viticulture and enology, 2) public safety, 3) hospitality, and 4) culinary arts. A career ladder program is envisioned that will provide jobs at many levels, as well as transfers to four-year colleges. Culinary arts and hospitality programs would be key to providing additional jobs for tourism and local businesses. General education classes will also be offered. The proposed site includes athletic fields, a community visitor and retail area, and a residential component. She mentioned that student exchanges with France and Italy are being considered as part of the viticulture program.

Police Chief Adams expressed support for the proposed campus to include a police and fire training facility, as the current academy in Stockton is at capacity. He believed it would attract students from Sacramento, Galt, and the foothills area. He noted that intensive academy formats offer five programs a year each running eight hours a day, five days a week, for three months.

Andrew Dunn, Vice President of Business Services, explained that the concept Delta College is trying to advance with the residential component is ancillary development to the college. It is hoped that the residential and commercial area represents enough value to the development community that a development partner with the college would be able to develop the area, acquire land, build infrastructure, and help develop the core campus. The residential portion of the plan is intended for senior and teacher housing.

In response to Council Member Mounce, Mr. Dunn reported that Delta College has entered into a two-year purchase option on the properties depicted in the plan. There are certain properties that were not put under contract.

Council Member Hansen hoped that the nursing program would be another potential for the Lodi campus, as there is a great need for the training. He noted that Lodi Memorial Hospital is an important part of the community and is currently considering an expansion to the facility.

Dr. Condon acknowledged that the nursing program in Stockton is near capacity. She stated that Delta College has the largest nursing program in California. She indicated that it might be a possibility to extend the program to Lodi as growth occurs.

Maria Serna, Trustee of the San Joaquin Delta Community College District, reported that eight sites were initially considered. The Board of Trustees narrowed it down to four sites and ultimately chose the Victor Road/Highway 12 site in Lodi. During the next six months, studies and due diligence will be taking place, and if successful, the College will proceed to purchase and occupancy could conceivably take place by 2009.

PUBLIC COMMENTS:

- Jerry Ferdun stated that he owned property in the proposed site. He stated that there are residents along Kennison Lane whose lives and property would be dramatically impacted by this project. He warned that much of the project is in a flood plain and just 15 feet from the edge of the Mokelumne River. There is an interior manmade levee that seeps water into the remaining property. All the athletic fields on the proposed site plan will hold water and are on land only five feet from the water table. He was opposed to the proposed project, as he felt it was not a proper use of the AG-40 zoned property and believed that the environmental impacts would be adverse.

Council Member Hansen replied that the Environmental Impact Report would evaluate all the issues raised by Mr. Ferdun.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:01 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 5, 2006**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of April 5, 2006, was called to order by Mayor Hitchcock at 5:30 p.m.

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – Beckman*

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

*NOTE: Council Member Beckman was absent due to his attendance at the San Joaquin Council of Governments One Voice event in Washington D.C.

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Actual litigation: Government Code §54956.9; three applications; Steve Morrison v. City of Lodi; WCAB case numbers STK164756 - 1/31/1999, STK164757 - 10/24/2000, and STK164758 - 12/4/2000.
- b) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(B) regarding exposure to workers compensation claim by Donald Hawkinson; WCAB case number STK74262 – 1/25/1989
- c) Actual litigation: Government Code §54956.9(a); one case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al.; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM
- d) Pursuant to Government Code §54956.9(c); conference with legal counsel – anticipated litigation/initiation of litigation – regarding County of San Joaquin EMS Order to change 911 Fire Dispatch Providers; one potential case

C-3 ADJOURN TO CLOSED SESSION

At 5:30 p.m., Mayor Hitchcock adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 7:00 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:06 p.m., Mayor Hitchcock reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a), (b), and (c), no reportable action was taken in closed session.

In regard to Item C-2 (d), Council directed the City Attorney's Office to file an action for declaratory relief against the County of San Joaquin in its order that the City change its secondary public safety answering point (its 911 call reception) from County Fire Emergency Medical Services to a private company (American Medical Response), in the event Stockton sues or AT&T switches without the City's consent.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of April 5, 2006, was called to order by Mayor Hitchcock at 7:06 p.m.

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – Beckman*

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

*NOTE: Council Member Beckman was absent due to his attendance at the San Joaquin Council of Governments One Voice event in Washington D.C.

B. INVOCATION

The invocation was given by Pastor Jon Terry, Fairmont Seventh Day Adventist Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hitchcock.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Juan Villarreal, President of the Library Board of Trustees, presented the 2006 Bob Hildreth Library Volunteer of the Year award to Marjorie Paulsen.

D-2 (a) Mayor Hitchcock presented a proclamation to Richard Jones, Executive Director of the Lodi Boys and Girls Club, proclaiming the week of April 2 – 7, 2006, as “National Boys and Girls Club Week” in the City of Lodi.

D-2 (b) Mayor Hitchcock presented a proclamation to Christine Wied with Central Valley Waste Services proclaiming April 21, 2006, as “National Clean Your Files Day” in the City of Lodi.

D-2 (c) Mayor Hitchcock presented a proclamation to Lieutenant Bryan Noblett, along with representatives from the Lodi Police Dispatchers Association, proclaiming the week of April 9 – 15, 2006, as “National Telecommunicators Week” in the City of Lodi.

D-2 (d) Mayor Hitchcock presented a proclamation to William Mitchell, Director of Public Health Services with San Joaquin County Health Education Services, proclaiming the week of April 3 – 9, 2006, as “Public Health Week” in the City of Lodi.

D-2 (e) Mayor Hitchcock presented a proclamation to Paula Grech with the Women’s Center of San Joaquin County proclaiming the month of April 2006 as “Sexual Assault Awareness Month” in the City of Lodi.

D-3 (a) City Clerk Blackston gave an update on the Centennial activities being planned for 2006. Chuck Easterling, President of the Downtown Lodi Business Partnership, reported that special Lodi Centennial banners will be displayed in the downtown area throughout the remainder of the year.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Mounce, Hitchcock second, approved the following items hereinafter set forth **except those otherwise noted** by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

E-1 Claims were approved in the amount of \$9,174,278.13.

E-2 The minutes of February 15, 2006 (Regular Meeting) were approved as written.

E-3 “Approve plans and specifications and authorize advertisement for bids for Playground Improvements at Blakely Park, 1050 South Stockton Street” was **removed from the Consent Calendar and was discussed and acted upon following approval of the Consent Calendar.**

E-4 Approved the plans and specifications and authorized advertisement for bids for White Slough Water Pollution Control Facility Drainage Modifications.

E-5 Adopted Resolution No. 2006-48 approving plans and specifications, authorizing advertisement for bids for the Lockeford Street and Sacramento Street Traffic Signal and Lighting Project, and authorizing the City Manager to execute all necessary agreements to implement the project.

- E-6 Approved the specifications and authorized advertisement for bids for 15,000 feet of #1/0 600-volt underground triplex.
- E-7 Adopted Resolution No. 2006-49 approving request for proposals (RFP), authorizing advertisement of RFP for the Transit Shelters and Amenities Project, and authorizing the City Manager to award contract(s), not to exceed \$225,000.
- E-8 Adopted Resolution No. 2006-50 awarding the contract for White Slough Water Pollution Control Facility Holding Pond No. 1 Rehabilitation, 12751 North Thornton Road, to Delta Oilfield Services, Inc., of Woodland, in the amount of \$167,500, and appropriating funds in the amount of \$175,000.
- E-9 "Adopt resolution accepting improvements for the Harney Lane Canal Crossing Project and appropriating additional funds for applicable reimbursements (\$45,890)" was **pulled from the agenda pursuant to staff's request.**
- E-10 Adopted Resolution No. 2006-51 of Vacation to abandon the south seven feet of an existing ten-foot public utility easement at 1305 East Vine Street.
- E-11 Adopted Resolution No. 2006-52 amending Resolution 2006-14 by changing the 2005-06 Transportation Development Act Claim amendment total claim to \$2,874,887.
- E-12 Adopted Resolution No. 2006-53 authorizing the City Manager to execute a license agreement with Tony Segale, Segale Fine Arts and Gold Leaf Company, for use of the Centennial logo.
- E-13 "Adopt resolution in support of Senate Bill 1554 regarding local publicly-owned electric utilities: cost responsibility surcharge (exit fees)" was **removed from the Consent Calendar and discussed and acted upon following adoption of the Consent Calendar.**

ACTION ON ITEMS REMOVED FROM CONSENT CALENDAR

- E-3 "Approve plans and specifications and authorize advertisement for bids for Playground Improvements at Blakely Park, 1050 South Stockton Street"

Mayor Pro Tempore Johnson asked whether the playground improvements are being done to accommodate the proposed Community Partnership for Families building, which he pointed out is only in the conceptual phase and has not yet been approved.

In response to questions posed by Council Members, Parks Superintendent Steve Dutra explained that the playground equipment is in need of being replaced whether or not the Community Partnership building is constructed. The equipment is out of compliance with current codes and regulations, and it cannot be replaced in the same location it is currently in.

Council Member Hansen recalled that he provided updates at several Council meetings about the Community Partnership's hope to build a family resource center adjacent to the Boys & Girls Club building with funding provided by the S.H. Cowell Foundation. The use of the park land has been considered by the Parks & Recreation Commission and soon will be brought before Council.

In reply to Mayor Hitchcock, Mr. Dutra stated that the trees are being removed to accommodate the playground equipment.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Hansen second, approved the plans and specifications and authorized advertisement for bids for Playground Improvements at Blakely Park, 1050 South Stockton Street. The motion carried by the following vote:

Ayes: Council Members – Hansen, Mounce, and Mayor Hitchcock

Noes: Council Members – Johnson

Absent: Council Members – Beckman

- E-13 “Adopt resolution in support of Senate Bill 1554 regarding local publicly-owned electric utilities: cost responsibility surcharge (exit fees)”

Council Member Hansen explained that “exit fees” Pacific Gas & Electric has proposed would mean that, if the City were to annex additional property, individuals building homes on the property would have to pay a fee to PG&E amounting to a 25% increase in the cost of electricity. Senate Bill 1554 would prevent this from happening.

Electric Utility Director Morrow stated that the “exit fee” would apply to new residents or businesses in annexed areas of Lodi. If existing property owners in the annexed area wanted to receive City services, they would pay an “exit fee” to PG&E and the City would negotiate with PG&E to acquire their facilities that serve those customers.

City Attorney Schwabauer pointed out that PG&E never sized its facilities to serve a development that was eight to ten houses per acre surrounding Lodi. It sized its facilities to accommodate AG-40, which is typically one house per 100 or more acres. Mr. Schwabauer stated that PG&E is proposing to require an exit fee for a residential subdivision, which would never have been built on the outskirts of Lodi.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, adopted Resolution No. 2006-54 in support of Senate Bill 1554 regarding local publicly-owned electric utilities: cost responsibility surcharge (exit fees). The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Barbara Flockhart reported that the Lions Club is offering grant funding for community service projects in the amount of \$10,000 and 100 volunteer hours. She suggested that it be applied for to make improvements at the Grape Bowl. She inquired about redevelopment and eminent domain, following which Mayor Hitchcock asked the City Attorney to meet with Ms. Flockhart to answer her questions.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Pro Tempore Johnson reported that he recently met with the Lodi Memorial Hospital Foundation. He suggested that a joint meeting be scheduled with the Foundation to discuss the impending expansion to its facility and other matters of mutual interest.
- Council Member Hansen commented that he and Mr. Johnson attended the “guitars not guns” event recently, which he found to be an excellent youth program. Mr. Hansen reported that he was asked to represent the 39 utilities in the state and testify on Monday before the Utilities and Commerce Committee for the California State Assembly. Assembly Member Lloyd Levine, who is sponsoring Assembly Bill 2021, spoke against municipal utilities. Mr. Hansen stated

that in his presentation he countered the allegations and informed those in attendance that municipal utilities are very conscientious about energy efficiency. Senator Kehoe is sponsoring Senate Bill 1037, which requires utilities to compile a report showing what accomplishments have been made toward energy efficiency. Mr. Hansen stated that municipal utilities are "under attack" by investor-owned utilities. He expressed disappointment that the National Organization of the Chamber of Commerce supported the bill and stated that he would speak to the Lodi Chamber of Commerce President about it.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- Mr. King reported that the Electric Utility currently has a BBB+ rating with an outlook of negative. A delegation from Lodi recently went to New York to meet with Wall Street rating agencies to respond to questions and describe plans for the future to improve the financial health of the Electric Utility. In response to that meeting, Fitch released a report discussing what Lodi's strategic plan is and what it reviews the outlook to be. He read the following statement from the report:

Over the next 12 to 18 months, Fitch will monitor Lodi's progress implementing its strategic plan to procure more stable power supply and the City Council's willingness to set and maintain rates to fully recover costs and approve the Utility's finances. Fitch recognizes that the City and the electric system have already taken many positive steps over the past few months. These steps include the City Council passage of a 17% rate increase, the creation of a risk oversight committee and a risk management policy, the authorization from the City Council to procure power beyond the City's current fiscal year, and the recent hiring of a new general manager. If the Utility and the City are able to implement the current financial and power supply plan, a revision of the rating outlook to stable is attainable.

In reply to Mayor Pro Tempore Johnson, Mr. King stated that the Electric Utility's rating was changed from A- to BBB+ on October 28, 2002.

Mr. King reported that staff has been in communication with East Bay Municipal Utility District and the State of California Water Resources Agency and is monitoring the condition of Pardee and Camanche Reservoirs and the Mokelumne River. The City will be prepared to respond to any high water warnings.

I. PUBLIC HEARINGS

None.

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Council Member Hansen, Mounce second, made the following appointment by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

Lodi Arts Commission

Petra Gillier Term to expire July 1, 2009

- b) The City Council, on motion of Council Member Mounce, Hitchcock second, made the following appointments to the Northern California Power Agency and the Transmission Agency of Northern California by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

Northern California Power Agency

Larry Hansen, Delegate
Susan Hitchcock, Alternate
*George Morrow, Alternate

Transmission Agency of Northern California

*George Morrow, Delegate
*Larry Hansen, Alternate
Susan Hitchcock, Alternate

**Signifies new appointment and change to current service level.*

- c) The City Council, on motion of Council Member Hansen, Mounce second, directed the City Clerk to post for the following vacancy by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock
Noes: Council Members – None
Absent: Council Members – Beckman

Lodi Improvement Committee

Ed Beswick Term to expire March 1, 2008

J-3 Miscellaneous – None

K. REGULAR CALENDAR

- K-1 “Consider adopting resolution placing the National motto, ‘In God We Trust,’ and the State motto, ‘Eureka,’ on plaques in the Carnegie Forum lobby”

City Manager King stated that Council Member Mounce realized subsequent to the posting of the agenda that Council Member Beckman would not be present and she suggested that this item be carried over to the next regularly scheduled meeting when the full Council would be in attendance.

Council Member Hansen was not in favor of delaying the item. He noted that the staff report suggests that the State motto, “Eureka,” also be added to the plaque, though the “blue sheet” draft resolution does not. He preferred that the plaque only include the National motto, “In God We Trust,” as was recommended at the March 29 meeting.

Mayor Hitchcock commented that if Council Member Beckman had desired to be present for the vote on this matter he would have requested on March 29 that it be held over.

City Attorney Schwabauer believed that, if adopted, the item under consideration would easily pass challenge in the California Supreme Court and Federal Court.

PUBLIC COMMENTS:

- Ken Owens, representing Christian Community Concerns, reported that 16 cities in California have voted to display the National motto in their Council Chambers and all except one were unanimous decisions. He had hoped that all five Council Members would be present to vote on this matter.

MOTION/ VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, adopted Resolution No. 2006-55 to display the National motto, “In God We Trust,” on a plaque in the lobby of Carnegie Forum. The motion carried by the vote shown below:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock
Noes: Council Members – None
Absent: Council Members – Beckman

RECESS

At 8:37 p.m., Mayor Hitchcock called for a recess, and the City Council meeting reconvened at 8:46 p.m.

K. REGULAR CALENDAR (Continued)

K-2 "Introduce ordinance amending Lodi Municipal Code Title 1 – General Provisions – by creating Chapter 1.10, 'Administrative Enforcement Provisions,' and introduce ordinance repealing in its entirety Chapter 2.34, 'Administrative Procedures for Administrative Proceedings,' and repealing and reenacting sections of Title 15 – Buildings and Construction – Chapters 15.04 through 15.30 of the codes of the City of Lodi and all other ordinances and parts of ordinances in conflict therewith to add administrative citation and hearing procedures"

Joseph Wood, Community Improvement Manager, reviewed the following from the proposed ordinance:

- Article I – Purpose and authority for implementing the program, provides key definitions, and establishes code enforcement fees to cover the cost of enforcement action and administrative hearings.
- Article II – Establishes the procedure for issuance of notices of violation, provides for a clear document to be recorded against the property listing the violations, provides for the issuance and recordation of notices of compliance, and an appeal process.
- Article III – Establishes procedure for appeals process, fines of \$100, \$250, and \$500 for first, second, and third citations, and provides for an alternative educational program for first offenders.
- Article IV – Provides clear procedures for administrative abatement, towing of vehicles, administrative action, and summary abatement.
- Article V – Provides procedure for civil penalties and hearing process.
- Article VI – Establishes procedures regarding conduct of administrative hearings. He noted that a policy and procedures manual will be established.

Council Member Hansen hoped that the procedures were not too bureaucratic and that staff brings a level of common sense to the processes.

Council Member Mounce spoke in favor of the ordinance noting that it provides for consequences that were not in place before.

Mayor Hitchcock stated that the ordinance should be consistently enforced to maintain the integrity of the process.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Hitchcock second, introduced the following ordinances:

- Ordinance No. 1777 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 1 – General Provisions – by Creating and Adding Chapter 1.10, 'Administrative Enforcement Provisions'; and
- Ordinance No. 1778 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code by Repealing Chapter 2.34, 'Administrative Procedures for Administrative Proceedings,' In Its Entirety; Repealing and Reenacting Section 3.01.460, Business Tax Certification – 'Enforcement'; Repealing and Reenacting Section 10.56.020 (J), (K), and (L)-(1), Removal of Vehicles – 'Removal from Private Property'; Amending Building Code Section 15.04.060, 'Violation-Misdemeanor,' by Adding Section (C); Repealing and Reenacting Chapter 15.24, 'Housing Code,' Sections 15.24.30 – 15.24.70 and Sections 15.24.090 – 15.24.100; Repealing and Reenacting Sections 15.28.030, 15.28.070, 15.28.080, 15.28.090, 15.28.100, 15.28.120, and 15.28.140, Relating to the Abatement of Dangerous Buildings Code;

Repealing Sections 15.30.040 – 15.30.220 and Reenacting Sections 15.30.040 – 15.30.060 Relating to Property Maintenance and the Designation of Certain Kinds of Nuisances; and Amending Chapter 15.31, 'Weed and Refuse Abatement,' by Adding Sections 15.31.150 – 15.31.170."

The above motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

- K-3 "Approve City-Sponsored Centennial Events Planned to Date and Authorize the City Manager Discretion to Consider Future Ancillary Details Associated with Said Events"

City Manager King stated that the City Clerk has taken on the duty of planning a series of events throughout the City's Centennial year and volunteers have offered to provide assistance. Staff requests that Council endorse these events as official Centennial activities.

City Clerk Blackston reported that two large events are being planned: 1) Wall Dogs mural painting event to be held on Memorial Day weekend, and 2) A Heritage Celebration that will take place on August 19 to 21, which is being planned by former City Clerk Alice Reimche and a subcommittee she formed. The Centennial Task Force is a group of volunteers formed through the Lodi Tokay Rotary Club to assist with creating and planning community events to celebrate the Centennial year. If Council approves this proposal, the costs the City would absorb include Public Works overtime related to street closures and security, staff, and janitorial services at Hutchins Street Square. In addition, event organizers have requested that liability insurance be provided without cost and that facility fees be waived for these events. Ms. Blackston noted that a great amount of effort has been devoted by individuals in organizing and soliciting private funding for these events, which will benefit the entire community. Staff recommends that the events be City sponsored and that the City Manager be given discretion to consider future requests as plans proceed.

Mayor Pro Tempore Johnson inquired if staff could be asked to volunteer time, to which Mr. King explained that the Fair Labor Standards Act and time and wage laws create obstacles. It becomes difficult to draw the line where someone is volunteering their time versus being coerced into providing their labor for free. The City cannot ask someone to volunteer their time for something they are normally compensated for.

Mayor Hitchcock asked what "discretion" is being asked for the City Manager to have, to which Ms. Blackston replied that some Centennial events are only in the beginning stages of planning and are subject to change as things proceed. She stated that it is unlikely the City's funding toward these events would increase beyond the estimates listed in the staff report.

Mr. King stated that the City does not have a budget for special events. There is a category where charges can be deducted by departments who engage in activities to support special events; however, it is hoped that the Centennial events would be self supporting.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Johnson, Mounce second, approved the City-sponsored Centennial events planned to date and authorized the City Manager discretion to consider future ancillary details associated with said events. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

- K-4 "Approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation (\$139,719.29)"

City Attorney Schwabauer reviewed expenses incurred by outside counsel/consultants as was outlined in the staff report.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation in the amount of \$139,719.29, as detailed below. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – Beckman

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount
8001	93894	2/28/2006	General Advice/Environmental Matters	\$ 422.86
8002	93892	2/28/2006	People v. M&P Investments	\$ 20,829.66
				(\$ 487.50)
8003	93893	2/28/2006	Hartford Insurance Coverage Litigation	\$ 78,415.21
				(\$ 3,870.00)
8008	93895	2/28/2006	City of Lodi v. Envision Law Group	<u>\$ 15,537.08</u>
				<u>\$110,847.31</u>

Folger Levin & Kahn - Invoices Distribution

Invoice No.	Date	Description	Total Amount
6114	01/31/06	Peter Krasnoff, Expert	\$ 8,385.00
12984	01/29/06	Keith O'Brien, Hydrogeologist	\$ 15,853.61
13018	02/26/06	Keith O'Brien, Hydrogeologist	<u>\$ 900.00</u>
			<u>\$ 25,138.61</u>

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount	Distribution
					<u>100351.7323</u>
					<u>183453.7323</u>
11233.001	224087	02/25/06	General advice	\$1,305.40	\$1,305.40
11233.026	224087	02/25/06	Lodi First v. City of Lodi	\$2,246.92	\$2,246.92
11233.027	224087	02/25/06	Citizens for Open Govt. v. City of Lodi	\$ 181.05	\$ 181.05
				<u>\$3,733.37</u>	<u>\$2,427.97</u>
					<u>\$1,305.40</u>

L. ORDINANCES

None.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:21 p.m.

ATTEST:

Susan J. Blackston
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize advertisement for bids for the sale of surplus overhead all aluminum (AA) conductor and related material (EUD)

MEETING DATE: May 3, 2006

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council authorize the advertisement for bids for the sale of surplus overhead all aluminum (AA) conductor (715 and 954 kcmil sizes) and related material as listed in Exhibit A, attached.

BACKGROUND INFORMATION: According to Lodi City Code Section 2.12.120, the City Manager shall authorize the auction sale of surplus material having a value of less than \$2,000. The value of this surplus property exceeds that amount and requires City Council approval.

The overhead AA conductor and related material listed in Exhibit A were originally purchased in 1998 at a cost of \$387,068.63 for two (2) electric utility capital projects, neither of which have been constructed. The two projects were (1) the construction of a 12 KV distribution circuit to Woodbridge Irrigation District and (2) the construction of a 60 KV transmission line to the west (White Slough). These projects were discontinued and there are no plans of constructing them in the near future.

At this time, the Electric Utility Department does not have a project to utilize the material within the next five years. (Note that EUD is retaining some 954 kcmil wire in inventory for planned local sub-transmission use.) Since the material was purchased years ago and metal prices have increased due to worldwide demand, the City may realize a sale above the purchase price. Therefore, we respectively recommend the sale of the Overhead AA conductor and related materials.

In compliance with Lodi Municipal Code § 2.12.120 Disposition of surplus personal property: The property to be sold shall be advertised by publication at least one time in a newspaper of general circulation or in a magazine or periodical generally distributed to municipalities, and sealed bids solicited. The manner of advertising and processing of bids shall be consistent with practices employed for other city transaction requiring bids.

FISCAL IMPACT: The sale of the surplus material will generate revenue for the department and the amount will be determined following the bid process.

FUNDING: Proceeds from the sale of this material will be returned to the Electric Utility fund.

Ruby Paiste, Interim Finance Director

George F. Morrow, Electric Utility Director

Prepared By: Al Smatsky, Sr. Electrical Estimator
GFM/AS/lst

APPROVED: _____
Blair King, City Manager

EXHIBIT A

**SURPLUS CONDUCTOR AND MATERIAL
RECOMMENDED FOR DISPOSAL
MAY 3, 2006**

Inventory Number	Description	Quantity	Unit Cost	Total Cost
118-0075	715.5 kcmil AA CONDUCTOR	179,855'	0.80	14,3884.00
118-0516	715.5 kcmil DEAD END SHOE	112	21.92	2,455.04
118-2055	715.5 kcmil TENSION SLEEVE	64	19.34	1,237.76
118-2072	715.5 kcmil JUMPER SLEEVE	35	13.67	478.45
118-5045	15KV POST INSULATOR	713	17.89	127,55.57
118-7317	715.5 kcmil PREFORMED TIE	749	5.78	4,329.22
118-7324	715.5 kcmil PREFORMED SIDE TIE	48	4.85	232.80
218-0095	954 kcmil AA CONDUCTOR	99,120'	1.04	103,084.80
218-5115	60KV HORIZONTAL. SILICONE INSULATOR	444	138.10	61,316.40
218-7232	954 kcmil LINE GUARD	450	12.84	5,778.00
218-8634	954 kcmil SADDLE CLAMP TSC-200	350	6.17	2,159.50
	115 kV kcmil POST INSULATOR	108	261.23	28,212.84
	HORIZONTAL CLAMP ADAPTER	77	27.04	2,082.08
	HORIZONTAL MOUNTING BASE	77	43.38	3,340.26
	POLE TOP BRACKET	31	121.21	3,757.51
	954 kcmil SADDLE CLAMP ACTS-150	108	5.59	603.72
	115 kV SWITCH W-TRI	1	5006.28	5,006.28
	115 kV SWITCH W-3D	1	4610.68	4610.68
	VERTICAL CLAMP ADAPTER	31	30.96	959.76
	SPADE TERMINAL (SWITCH)	12	65.33	783.96
Total				\$387,068.63



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution awarding the contract for playground improvements at Peterson Park "West" Playground, 199 Evergreen Drive to AM Stephens Construction of Lodi, CA (\$86,978.00)

MEETING DATE: May 3, 2006

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council adopts a resolution awarding the contract for playground improvements at Peterson Park "West" Playground, 199 Evergreen Drive to AM Stephens Construction, of Lodi, CA in the amount of \$86,978.00.

BACKGROUND INFORMATION: This project is part of the Parks and Recreation Departments 2000 Park Bond Act Per Capita Grant program request. Plans, specifications and authorization to advertise for bids was presented and approved by City Council at their regular meeting on March 15, 2006.

The Peterson Park "West" playground improvements consist of installing a new handicap accessible play structure and new seamless poured-in-place safety rubber material.

The City received the following 4 bids for this project:

Bidder	Location	Bid
Engineer's Estimate		\$100,000.00
AM Stephens Construction	Lodi	\$86,978.00
McFadden Construction	Stockton	\$89,021.00
Diede Construction	Woodbridge	\$97,440.12
Gateway Landscape	Livermore	\$114,682.50

Other potential grant projects, specifically the Complex concession and Salas Park lighting upgrades, will be submitted to the State for its approval. Any excess monies from the 2000 Park Bond Act Per Capita Grant program and Prop 12 & 40 money will be used to fund these projects when approved.

FISCAL IMPACT: There is no direct impact to the Parks and Recreation Department budget for the installation of the new playground equipment and safety surfacing. The 2000 Park Bond Act Per Capita Grant program will be supporting the installation of this project in its entirety.

APPROVED: _____
Blair King, City Manager

FUNDING: 2000 Park Bond Act Per Capita Grant Allocation: \$135,300.00

Ruby Paiste, Interim Finance Director

Tony C. Goehring
Parks and Recreation Director

Prepared by Steve Virrey, Park Project Coordinator

TCG/SV:tl

cc: City Attorney
Susan Bjork, Management Analyst
Steve Dutra, Parks Superintendent
Wes Fujitani, Sr. Civil Engineer
Joel Harris, Purchasing Officer

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR PETERSON PARK
"WEST" PLAYGROUND, 199 EVERGREEN DRIVE

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on April 19, 2006, at 11:00 a.m., for Peterson Park "West" Playground, 199 Evergreen Drive, described in the specifications therefore approved by the City Council on March 15, 2006; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Location</u>	<u>Bid</u>
Engineer's Estimate		\$100,000.00
A. M. Stephens Construction Co., Inc.	Lodi	\$ 86,978.00
McFadden Construction	Stockton	\$ 89,021.00
Diede Construction	Woodbridge	\$ 97,440.12
Gateway Landscape	Livermore	\$114,682.50

WHEREAS, the City Manager recommends award of the contract for Playground Improvements for Peterson Park "West" Playground, 199 Evergreen Drive, be made to the low bidder, AM Stephens Construction of Lodi, California.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the contract for Peterson Park "West" Playground, 199 Evergreen Drive, be and the same is hereby awarded to the low bidder, AM Stephens Construction of Lodi, California, in the amount of \$86,978.00.

Dated: May 3, 2006

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS -

ABSENT: COUNCIL MEMBERS -

ABSTAIN: COUNCIL MEMBERS -

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI

COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Awarding the Bid for the Purchase of White Slough Water Pollution Control Facility Telephone System Replacement from AT&T (SBC), of Stockton, under the Terms of the State of California CALNET Contract (\$44,000)

MEETING DATE: May 3, 2006

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the bid for the purchase of the Public Works Department's White Slough Water Pollution Control Facility (WSWPCF) telephone system replacement from AT&T (SBC), of Stockton, under the terms of the competitively-bid State of California CALNET contract.

BACKGROUND INFORMATION: The WSWPCF telephone replacement is quoted at \$41,017.03. Staff has obtained extensive pre-sales engineering and design, and an informal quote from AT&T (SBC) Bell under the State's CALNET contract. During the past seven years, the City Council has approved staff to make purchases for several communications projects from AT&T (SBC) under the terms of the State of California competitively-bid CALNET contract; most particularly, Council Resolution Nos. 99-53, 99-106 and 2001-220. The CALNET agreement has been written with a refresh clause that ensures that the State (and the City) will get the lowest prices for goods and services during the term of the contract. The CALNET contract will end in 2008.

[CALNET Contract wording] Section 17 ANNUAL SERVICE REVIEW

For the purpose of maintaining competitiveness throughout the term of this Agreement, Contractor agrees to a joint review of its pricing and service functionality, and marketing efforts annually to ensure State and its customers will receive cost and technologically competitive services throughout the terms of the Agreement. Contractor agrees that no other customer of Pacific Bell and MCI, collectively or as individual companies, will receive better rates for a substantially similar suite of services offered under substantially similar terms and conditions when the volume of business from the other customer is equal to or less than the volume of business the State delivers under this Agreement.

Revised: Amendment No. 1 - 12/4/98

Lodi Municipal Code allows the use of other competitively-bid service contracts.

LMC §3.20.045 STATE AND LOCAL AGENCY CONTRACTS

The bidding process described in this code may be waived when advantageous for the city, and authorized by the city manager for purchase of supplies, equipment or contractual services awarded in accordance with formally adopted bidding or negotiation procedures approved by the governing boards of other California public agencies. Purchases or contracts in excess of twenty thousand dollars shall require the approval of the city council. (Ord. 1763 § 2 (part), 2005)

APPROVED: _____
 Blair King, City Manager

Adopt Resolution Awarding the Bid for the Purchase of White Slough Water Pollution Control Facility Telephone System Replacement from AT&T (SBC), of Stockton, under the Terms of the State of California CALNET Contract (\$44,000)

May 3, 2006

Page 2

The replacement of the WSWPCF telephone system is required to allow the facility to connect to the City's main telephone PBX switch over a single point-to-point T1 circuit, thus replacing multiple off-premises telephone extension (OPX) circuits. It will also replace the existing 56Kb/s data circuit. The shared T1 circuit will reduce the ongoing monthly circuit costs for both telephone and wide area network (WAN) data communications. This will also increase the WAN data connection speed between sites from 56Kb/s to over 800Kb/s (one half or more of the total T1 circuit bandwidth.) The existing telephone system is old and subject to failures, and replacement parts have become difficult to obtain. Upgrading the WSWPCF telephone system will allow staff to be on the same system as the Civic Center, with the same functionality and features.

ITEMS:	WSWPCF Meridian Opt. 11c PBX	\$28,896.19
	Required upgrades to core Meridian 11c PBX and core network equipment to facilitate T1 link	\$8,662.99
	Initial installation of T1 circuit	\$1,700.00
	Tax on hardware	\$1,757.85
	Contingencies	<u>\$2,982.97</u>
	Total:	\$44,000.00

FISCAL IMPACT: There will be a slight reduction in ongoing circuit costs and equipment maintenance costs.

FUNDING AVAILABLE: Budgeted: WS Telephone System Upgrade (172503)

Ruby Paiste, Interim Finance Director

James R. Krueger
Deputy City Manager

Prepared by Mark White, Information Systems Coordinator and Del Kerlin, Assistant Wastewater Treatment Superintendent

JRK/CMW/pmf

cc: Steve Schwabauer, City Attorney
Joel Harris, Purchasing Officer
Del Kerlin, Assistant Wastewater Treatment Superintendent
Steve Mann, Information Systems Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE BID
FOR THE PURCHASE OF THE WHITE SLOUGH WATER POLLUTION
CONTROL FACILITY TELEPHONE SYSTEM FROM AT&T (SBC),
OF STOCKTON, UNDER THE TERMS OF THE STATE OF
CALIFORNIA CALNET CONTRACT

=====

WHEREAS, the existing White Slough Water Pollution Control Facility telephone system is old, is subject to failures and replacement parts have become difficult to obtain; and

WHEREAS, replacement of the White Slough Water Pollution Control Facility telephone system is required to allow connection to the City's main telephone PBX switch over a single point-to-point T1 circuit instead of multiple off-premise telephone extension (OPX) circuits, and making this change will also replace the existing 56Kb/s data circuit; and

WHEREAS, the shared T1 circuit will reduce the ongoing monthly circuit costs for both telephone and wide area network (WAN) data communications; and

WHEREAS, pursuant to Lodi Municipal Code §3.20.045, "State and Local Agency Contracts," the bidding process may be waived when it is advantageous for the City, with appropriate approval by the City Manager and City Council, to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures; and

WHEREAS, staff has obtained extensive pre-sales engineering and design, and an informal quote from AT&T (SBC) Bell under the State's CALNET contract; and

WHEREAS, staff recommends purchasing the telephone system replacement from AT&T (SBC) of Stockton, under the terms of the State of California CALNET contract at a cost not to exceed \$41,017.03.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the bid for the purchase of the White Slough Water Pollution Control Facility telephone system from AT&T (SBC) of Stockton, under the terms of the State of California CALNET contract at a cost not to exceed \$41,017.03.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Pedestrian Safety Improvements on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive with Funds Provided by Lodi Unified School District for the Benefit of Washington and Lakewood Elementary Schools

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving the pedestrian safety improvements on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive with funds provided by Lodi Unified School District for the benefit of Washington and Lakewood Elementary Schools.

BACKGROUND INFORMATION: City staff has received requests for pedestrian safety improvements at Washington and Lakewood Elementary Schools. The school principals are concerned about the school crossings on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive. They requested the City install flashing beacons, lighted crosswalk ("In-roadway" warning lights) or additional signage. City staff performed peak hour pedestrian and vehicle counts at the intersections. At the Lockeford Street and Orange Street crossing, the afternoon pedestrian counts were 43 school-aged students crossing and 700 vehicles on Lockeford Street during an hour, and at the Ham Lane and Kirkwood Drive crossing, 29 school-aged students and under 300 vehicles on Ham Lane during an hour.

Staff recommends installing "in-street" pedestrian (ISP) signs and modifying the striping to accommodate the signs, as shown in the exhibits. Last year, City staff installed a similar pedestrian improvement on Tokay Street at Virginia Avenue, and the signage has received positive feedback from citizens, parents and school administration. The ISP sign was recently approved at both State and Federal levels. In addition to the ISP signs, additional pedestrian signs will be installed in the sidewalk at the crosswalks. On Lockeford Street at Orange Avenue, staff also recommends removal of the east leg crosswalk to channelize the pedestrian activity to the improved crossing and to assist the adult crossing guard in crossing students. Prior to the removal, appropriate notification will be placed at the crossing. On Ham Lane at Kirkwood Drive, there is currently one yellow marked school crossing, and a school administrator assists students.

Staff met with the school principals and Police Department Resource Officer, and they concur with staff's recommendations.

FISCAL IMPACT: There is no annual maintenance cost; however, the ISPs will need to be replaced every ten years at an approximate cost of \$500 per intersection, which will be absorbed in the street maintenance budget.

APPROVED: _____
Blair King, City Manager

Adopt Resolution Approving Pedestrian Safety Improvements on Lockeford Street at Orange Avenue and
on Ham Lane at Kirkwood Drive with Funds Provided by Lodi Unified School District for the Benefit of
Washington and Lakewood Elementary Schools

May 3, 2006

Page 2

FUNDING AVAILABLE: Installation costs will be provided by Lodi Unified School District.
Project Estimate: \$1,176 at Lakewood Elementary School
\$1,218 at Washington Elementary School

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Paula J. Fernandez, Senior Traffic Engineer

RCP/PJF/pmf

Attachments

cc: City Attorney
Street Superintendent
Police Chief
LUSD Washington Principal Linda Denman
LUSD Lakewood Principal Deborah Roden
Washington School President Ronda Stacher
Jon Johnson

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
PEDESTRIAN SAFETY IMPROVEMENTS ON LOCKEFORD STREET
AT ORANGE AVENUE AND ON HAM LANE AT KIRKWOOD DRIVE

=====

WHEREAS, staff has received requests for pedestrian safety improvements at Washington and Lakewood Elementary Schools; and

WHEREAS, the school principals are concerned about the school crossings on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive, and have requested that the City install flashing beacons, lighted crosswalk ("In-roadway" warning lights) or additional signage; and

WHEREAS, staff recommends installing "in-street" pedestrian (ISP) signs and modifying the striping to accommodate the signs, as shown on Exhibits A & B attached; and

WHEREAS, additional pedestrian signs will be installed in the sidewalk at the crosswalks; and

WHEREAS, staff further recommends removal of the east leg crosswalk to channelize the pedestrian activity to the improved crossing and to assist the adult crossing guard in crossing students.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the Pedestrian Safety Improvements on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive as outlined above.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

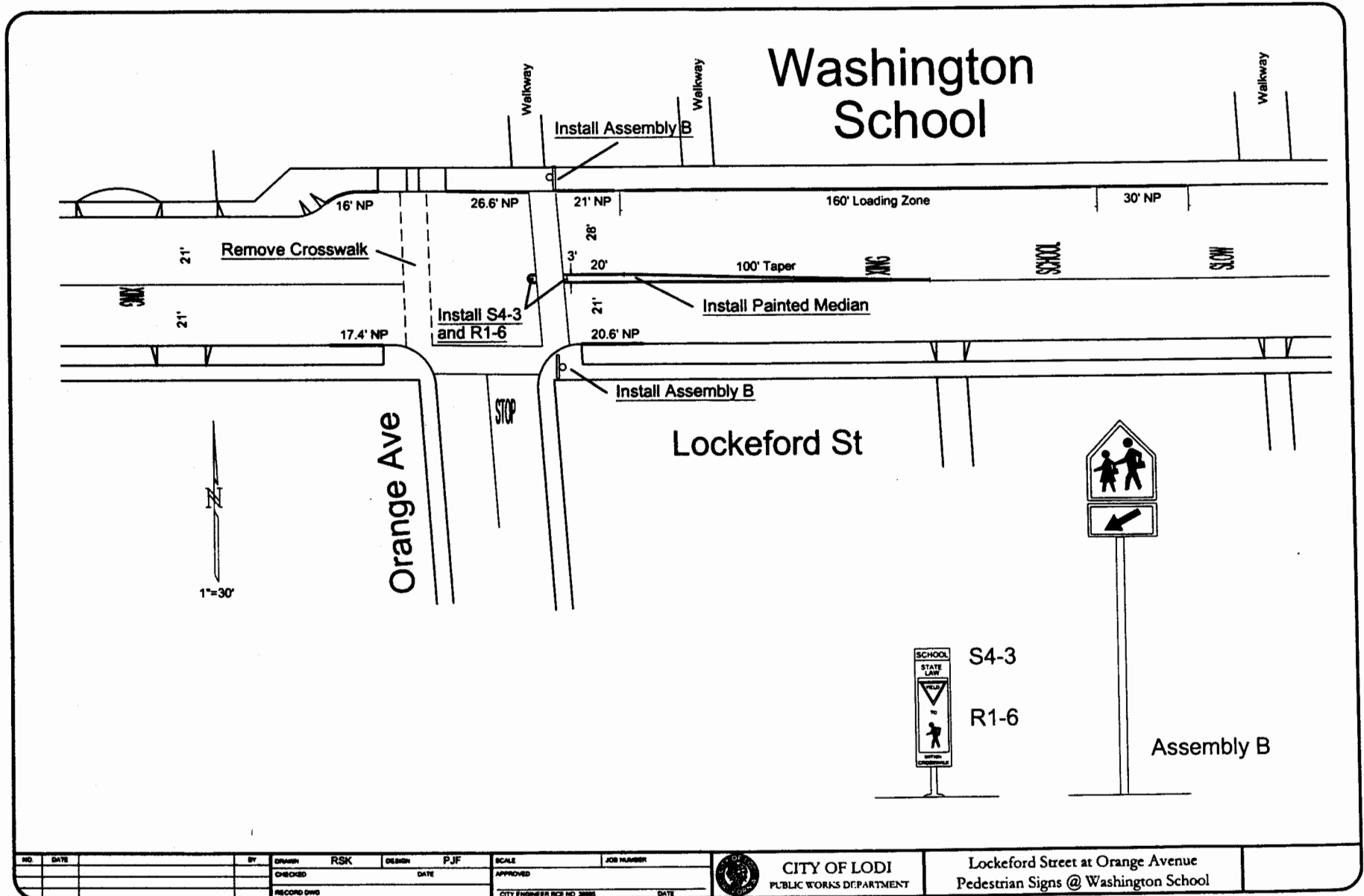
NOES: COUNCIL MEMBERS –

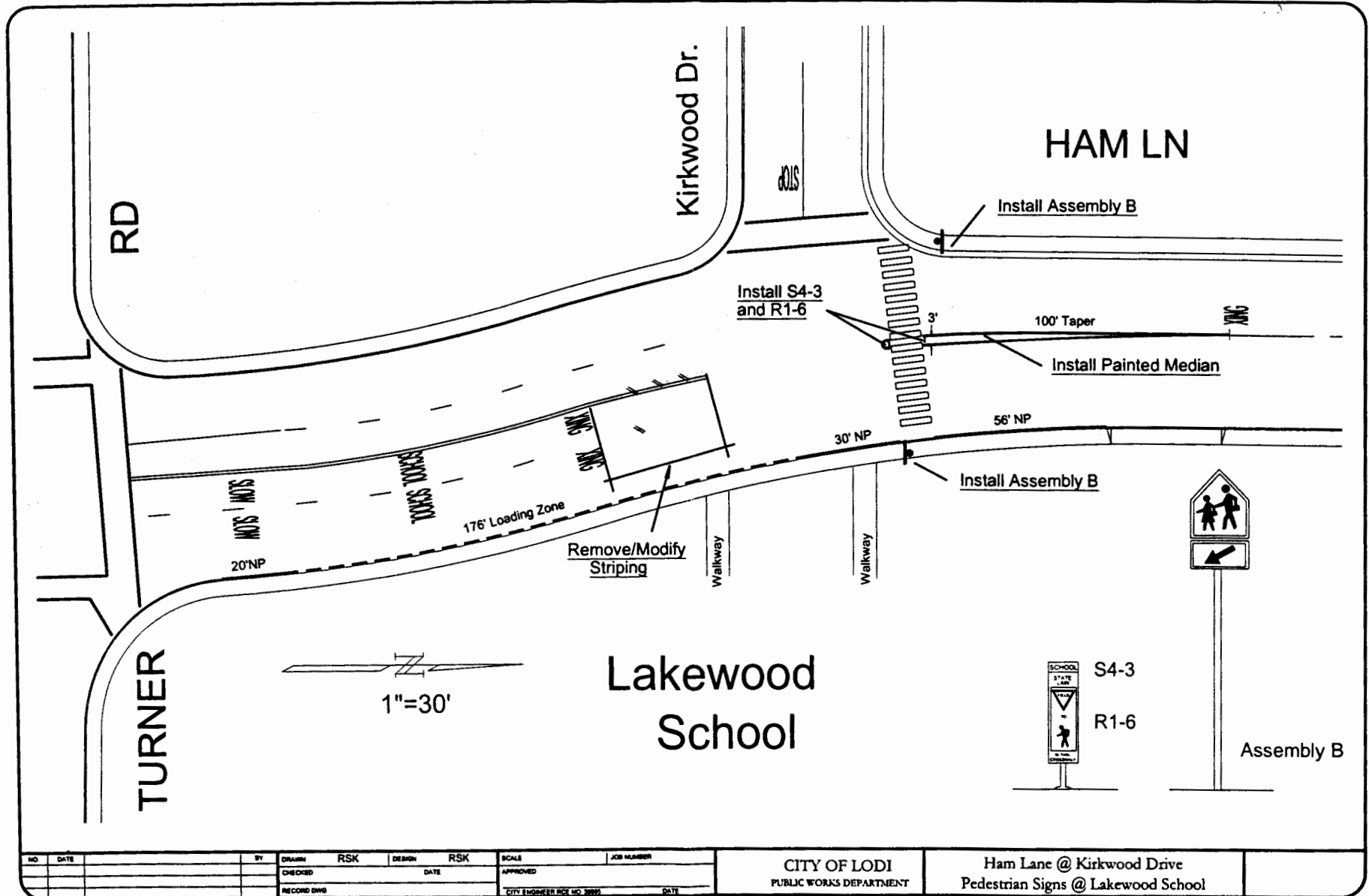
ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____







CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements Under Contract for Lockeford Street Water Main (Church Street to Sacramento Street) and Olive Court Water Main Replacement (Pleasant Avenue to Church Street) Project

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council accept the improvements under the "Lockeford Street Water Main (Church Street to Sacramento Street) and Olive Court Water Main Replacement (Pleasant Avenue to Church Street) Project" contract.

BACKGROUND INFORMATION: The project was awarded to Arrow Construction, of Ceres, on October 19, 2005, in the amount of \$337,760.00. The contract has been completed in substantial conformance with the plans and specifications approved by City Council.

This project continued the City's Infrastructure Replacement Program to rehabilitate existing water infrastructure in the oldest parts of the City. This project integrated two smaller projects (Lockeford Street Water Main and Olive Court Water Main Replacement), both budgeted in the 2005/06 fiscal year. The project included the installation of approximately 1,500 linear feet of 6-inch and 8-inch diameter water main and the abandonment of approximately 1,200 linear feet of existing 2-inch and 3-inch water main, including miscellaneous storm drain and surface improvements.

The contract completion date was April 12, 2006, and the actual completion date was March 24, 2006. The final contract price was \$358,926.15. The difference between the contract amount and the final contract price is mainly due to two contract change orders which compensated the contractor for miscellaneous items of work, including adding 1-inch unions on the new water services; repairing an existing trench patch; additional work to remove concrete found under the School Street pavement; extra storm drain lateral and catch basin work; and the addition of truncated domes on the new handicap ramps. The two contract change orders added \$26,701.15 to this contract. There were also minor adjustments made to the original contract quantities, so the final contract price does not equal the sum of the original contract price and the contract change orders.

Following acceptance by the City Council, the City Engineer will file a Notice of Completion with the County Recorder's office.

FISCAL IMPACT: The proposed improvements will increase water system performance and reliability, thereby reducing operations and maintenance costs.

FUNDING AVAILABLE:	Water Utility Capital Outlay Fund	\$333,802.15
	Wastewater Utility Capital Outlay Fund	\$ 25,124.00
	Contract Amount:	\$358,926.15

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Wesley K. Fujitani, Senior Civil Engineer
cc: Joel Harris, Purchasing Officer Frank Beeler, Asst. W/WW Superintendent

Charlie Swimley, Senior Civil Engineer

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Contract Change Order with Western Water Constructors, Inc., of Santa Rosa, for Payment of Services for Work Associated with Emergency Repair of 48-Inch Domestic Sewer Outfall Pipe at White Slough Water Pollution Control Facility and Appropriating \$88,000

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute a contract change order with Western Water Constructors, Inc., of Santa Rosa, for the payment of services for work associated with the emergency repair of the 48-inch domestic sewer outfall pipe at the White Slough Water Pollution Control Facility (WSWPCF) and appropriating \$88,000.

BACKGROUND INFORMATION: On March 29, 2006, during work being performed on the WSWPCF headworks gate replacement project, the contractor, Western Water, Inc., discovered the crown of the 48-inch diameter domestic outfall pipeline (Outfall) to be completely corroded adjacent to a manhole structure.

Upon further investigation of the manhole, a large section of collapsed pipe was discovered. The manhole was being prepared for a planned bypass procedure to divert wastewater flows from the domestic outfall to the plant headworks. That evening after inspecting the site, City staff verbally authorized the contractor to mobilize equipment the following morning in preparation to make the repair of the collapsed pipe.

The repair involved relocating the planned bypass structure, portable power supply and standby pump in order to prevent any potential non-permitted discharge.

Once the bypass was established, the contractor was able to cautiously excavate the area near the collapse until a stable section of Outfall pipe was found. A section of new pipe was installed and mortared into place on April 5, 2006. Flow was re-established in the Outfall pipeline shortly thereafter.

Included in the appropriation is \$15,000 for repair or replacement of nine motors within the plant that were damaged by the high plant flows created by this work and \$385 for security services to watch the equipment during the overnight hours.

FISCAL IMPACT: Not applicable. This work was undertaken under the terms of the City's contract with Western Water Constructors for the installation of tertiary filters and UV disinfection (\$7,484,600) and subsequent change orders for standby generator installation (\$280,000) and headworks modifications (\$260,670).

FUNDING AVAILABLE: 2004 Certificates of Participation proceeds

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
RCP/GW/pmf
cc: Del Kerlin, Assistant Wastewater Treatment Superintendent

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT CHANGE ORDER WITH WESTERN WATER CONSTRUCTORS, INC., FOR PAYMENT OF SERVICES FOR WORK ASSOCIATED WITH EMERGENCY REPAIR OF 48-INCH DOMESTIC SEWER OUTFALL PIPE AT WHITE SLOUGH WATER POLLUTION CONTROL FACILITY, AND FURTHER APPROPRIATING FUNDS

=====

WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, on March 29, 2006 during work being performed on the White Slough Water Pollution Control Facility headworks gate replacement project, the contractor, Western Water, Inc., discovered the crown of the 48-inch diameter domestic outfall pipeline to be completely corroded away adjacent to a manhole structure; and

WHEREAS, staff verbally authorized the contractor to mobilize equipment in preparation to make the repair, a new section of pipe was installed and mortared into place on April 5, 2006, re-establishing flow in the Outfall pipeline; and

WHEREAS, staff recommends authorizing the City Manager to execute a Contract Change Order with Western Water Constructors, Inc., of Santa Rosa, for the payment of services for work associated with the emergency repair of the 48-inch domestic sewer outfall pipe at the White Slough Water Pollution Control Facility; and

WHEREAS, staff further recommends appropriating \$88,000 for this project, and included in the appropriation is \$15,000 for repair or replacement of nine motors within the plant that were damaged by the high plant flows created by this work, and \$385.00 for security services to watch the equipment during the overnight hours.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute a contract change order with Western Water Constructors, Inc., of Santa Rosa, for the payment of services for work associated with the emergency repair of the 48-inch domestic sewer outfall pipe at the White Slough Water Pollution Control Facility; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby appropriate funds in the amount of \$88,000 from the 2004 Certificates of Participation proceeds for this project.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Improvement Deferral Agreement for 1243 East Harney Lane

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving an improvement deferral agreement for 1243 East Harney Lane and authorize the City Manager and City Clerk to execute the agreement on behalf of the City.

BACKGROUND INFORMATION: The owner of the property, Kenneth C. Tate, Jr., and Nan Hee Tate, have submitted a four-lot single family residential parcel map application for the subject property.

The Improvement Deferral Agreement for 1243 East Harney Lane covers installation of frontage and onsite improvements including, but not limited to, water, wastewater and storm drain services, curb, gutter, sidewalk, street pavement, reverse frontage wall with landscaping, street trees and street lights along the frontages of Harney Lane and Legacy Way, as required and set forth in Lodi Municipal Code Chapter 15.44 and the conditions set forth in Resolution No. P.C. 04-56. The property owner has made substantial progress in the completion of these improvements. A court order has been issued requiring the recordation of the parcel map for which the deadline has passed. Staff recommends deferral in order to permit recordation of the parcel map that will facilitate closure of escrow and generate the funding to complete the public improvements. The improvement deferral agreement will be recorded against the property and will be assigned through sale to future property owners.

The owner has signed an improvement deferral agreement and paid the necessary document preparation and recording fees for the agreement. The agreement, in part, states that the owner will pay for and complete the design and installation of the required improvements at time of installation of such improvements on adjacent parcels, or at the request of the City, whichever occurs first.

Staff recommends approval of the improvement deferral agreement.

FISCAL IMPACT: Improvement Deferral Agreement fee (\$1,500) and recording fees have been paid by the property owner.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by F. Wally Sandelin, City Engineer
RCP/FWS/pmf
cc: Kenneth C. Tate, Jr., and Nan Hee Tate

APPROVED:

Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING IMPROVEMENT DEFERRAL AGREEMENT
FOR 1243 EAST HARNEY LANE

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve an Improvement Deferral Agreement for 1243 East Harney Lane, Lodi, between the City of Lodi and Kenneth C. Tate, Jr. and Nan Hee Tate, on file in the office of the City Clerk; and

BE IT FUTHER RESOLVED, that the City Manager and City Clerk are hereby authorized to execute said agreement on behalf of the City of Lodi; and

BE IT FURTHER RESOLVED that said agreement shall be recorded against the property and will be assigned through sale to future property owners.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution approving the master lease agreement between the City of Lodi and Lodi Grape Festival and National Wine Show Association for use of various festival ground facilities that will serve both indoor and outdoor recreational programs which will run for the period July 1, 2006 to June 30, 2011, at a lease rate of \$20,000 per year (PR)

MEETING DATE: May 3, 2006

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution approving the master lease agreement between the City of Lodi and the Lodi Grape Festival and National Wine Show Association for use of various festival ground facilities for the period July 1, 2006, to June 30, 2011.

BACKGROUND INFORMATION: The Parks and Recreation Department has leased facilities from the Lodi Grape Festival and National Wine Show Association for over 40 years for various indoor and outdoor programs. The proposed agreement includes use of the Grape Pavilion, Cabernet Hall, and an area known as the soccer field. Management of the Lodi Grape Festival has also been quick to accommodate our needs when other space and/or facilities are required.

The term of the agreement is for five (5) years, commencing on July 1, 2006, and ending June 30, 2011. The term and conditions are consistent with those of the previous agreement. The annual lease payment has been established at \$20,000, also consistent with the past agreement. There was no increase in the lease rate proposed for this five-year term.

Staff recommends approving the use agreement, which provides facilities for youth and adult basketball, soccer, and other miscellaneous programming. The City Attorney has approved the agreement as to form.

FISCAL IMPACT: The execution of the lease obligates the City to make annual payments through June 30, 2011.

FUNDING AVAILABLE: 2006-2007 Recreation Administration Operating Budget: \$20,000

Tony C. Goehring
Parks and Recreation Director

Attachments

cc: City Attorney

APPROVED: _____
Blair King, City Manager

THE LODI GRAPE FESTIVAL & NATIONAL WINE SHOW ASSOCIATION, INC.
AND
CITY OF LODI

MASTER LEASE OF FESTIVAL GROUNDS

JULY 1, 2006 TO JUNE 30, 2011

THIS LEASE, made and entered into this 18th day of January, 2006, by and between the LODI GRAPE FESTIVAL AND NATIONAL WINE SHOW ASSOCIATION, INC., a non-profit corporation hereinafter called "Lessor," and the CITY OF LODI, a municipal corporation of the State of California hereinafter called "Lessee."

WHEREAS, the real property hereinafter described is owned by the County of San Joaquin, a political subdivision of the State of California, and said property is under the management and control of Lessor for the purpose of conducting thereon the annual San Joaquin County Fair during the month of September of each year, for conducting a Spring Wine Show, and to otherwise use, possess and manage the County fairgrounds at all other times; and

WHEREAS, two buildings and an area to be known as the "Soccer Field" are available for the use of Lessee in the conduct of its recreational programs;

NOW, THEREFORE, the parties hereto do hereby agree as follows:

PART I

Lessor does hereby lease to Lessee Cabernet Hall and the Grape Pavilion, hereinafter called "buildings," and the "Soccer Field" for programs sponsored by and conducted under the supervision of the City of Lodi Parks and Recreation Department on the Lodi Grape Festival grounds situated in the City of Lodi, County of San Joaquin, and State of California. Lessor grants Lessee the nonexclusive right to utilize necessary parking lot space and access routes to the buildings which are necessary to conduct its recreation programs.

PART II

The term of this agreement shall be five (5) years, commencing on July 1, 2006 and ending June 30, 2011.

PART III

A. **Grape Pavilion** shall be reserved for Lessee's use approximately:

October 17, 2006 through March 13, 2007
October 16, 2007 through March 18, 2008
October 21, 2008 through March 17, 2009
October 20, 2009 through March 16, 2010
October 19, 2010 through March 15, 2011

unless other dates are established by mutual written agreement prior to October 1 of each year. The hours Lessee may use the Pavilion shall be:

Monday through Friday	5 p.m. to 11 p.m.
Saturday	7 a.m. to 1 a.m. Sunday
Sunday	7 a.m. to 11 p.m.

(Lessee shall use the weekend schedule on legal holidays falling on weekdays.)

Lessor reserves the right to rent Pavilion for basketball practice Monday through Friday until 5 p.m. In the event Lessor schedules a use of the Pavilion to another user, that user or the Lessor will immediately thereafter provide custodial care and/or maintenance of the Pavilion in order to return it to Lessee in satisfactory condition for Lessee's continued use.

B. **Cabernet Hall** shall be reserved for Lessee's use from October 1 of each year through August 15 of the following year on: Monday through Thursday 4:30 p.m. to 11 p.m. Use of Cabernet Hall is reserved by the Lessor on Fridays, Saturdays and Sundays, and on the third Thursday morning of each month for use by San Joaquin County for surplus food distribution. Lessee may request to Lessor for special use on these days.

C. **Soccer Field** shall be reserved for Lessee's use from October 15 of each year through May 15 of the following year on: Monday through Friday, 5 p.m. to 11 p.m. Lessor shall have the right to pre-empt the Soccer Field when other facility leases may conflict. Lessee agrees to mow soccer field weekly throughout the year, and Lessee agrees to provide at least one (1) portable restroom for its own use and daily pickup of trash in the Soccer Field area during the lease period. Lessee shall also pay electrical charges for use of lights on the Soccer Field during periods of use designated in this lease.

It shall be the responsibility of the Lessee to provide sufficient personnel to monitor crowd control, including policing of parking lot areas and grounds adjacent to the buildings and Soccer Field to insure no disturbance of other lessees on the Festival grounds. Lessor shall have the right to pre-empt late night basketball in the Pavilion when other facility lessees will be in the immediate vicinity of the Pavilion. Lessor will notify Lessee in advance of these pre-empted dates.

Lessee shall be diligent in turning out lights, turning off heaters and/or coolers, and locking building doors and outside gates daily and nightly after each and every use. If this provision is not observed, Lessor shall bill Lessee for use of utilities beyond scheduled hours of use. Lessee shall provide Lessor with a complete list of all personnel, with their signature, who are issued keys to Lessor's facility. Lessee shall be billed \$50 (fifty dollars) for each key not returned to Lessor at end of each lease year.

PART IV

Lessee agrees to pay Lessor as rent for the buildings and soccer field the sum of \$20,000 (Twenty Thousand Dollars) annually for a period of five (5) years, commencing July 1, 2006 and ending June 30, 2011. This payment shall be in full satisfaction of all use of the buildings and soccer field by Lessee including cost of utilities (except as specified for electricity for soccer field in Part III of this agreement) and reasonable wear and tear. Lessee agrees to provide their own janitorial services as required. Any special flooring such as basketball floor, if required by Lessee, shall be provided, erected, maintained and dismantled by Lessee. Lessor shall assist Lessee by providing use of a forklift in the putting in and taking out of any basketball flooring. It is anticipated that said flooring may be put in place and removed on approximately the dates specified in Part III, unless other dates are established by mutual written agreement prior to October 1 of each year. Lessor agrees to make inside storage space available for two (2) basketball floors during the term of this lease.

PART V

Lessee agrees to provide adequate qualified supervision at all times when using any of Lessor's facilities. Lessee agrees to clean up all areas used, outside and inside, including parking areas, on a daily basis, and all areas of the buildings and grounds are to be kept free of papers, cups, cans, bottles and other debris deposited as a result of Lessee's activities. Lessee agrees to repair or replace, at its own expense, any and all damage to Lessor's buildings, facilities, equipment and/or grounds caused by Lessee's activities.

PART VI

It is expressly agreed and understood that this lease is for the use of the Lessee for its recreational programs and NO SUBLETTING or assignment of this lease is permitted. Any programs or activities other than the basketball and soccer programs shall first be approved by Lessor. Lessee shall have concession rights for its events only and may operate a concession during all applicable events under this lease specifically granted to

Lessee. Concession shall comply with all health, fire and safety regulations, including no propane gas cooking inside the buildings.

PART VII

Lessee does hereby agree to indemnify, defend and save Lessor free and harmless from any and all claims for loss, damage, injury or liability to persons or property that may arise during the time the Lessee is using the buildings, soccer field, facilities and grounds which arise from the acts or omissions of Lessee, except for claims for loss, damage, injury or liability to persons or property which arise from the acts of Lessor. For such claims the Lessor does hereby agree to indemnify, defend and save Lessee free and harmless. Lessee agrees at all times during the continuance of this lease to maintain adequate public liability and property damage insurance covering its use, occupancy and operation of said premises. Such policy or policies shall carry a specific endorsement providing that the Lessor, the County of San Joaquin, the State of California, and their agents, officers, servants and employees are named as additional insureds and that such liability policy or policies are primary insurance as to any similar insurance carried by Lessor. Lessee shall furnish Lessor with satisfactory proof of the carriage of insurance required by Lessor, and there shall be a specific contractual liability assumed by Lessee pursuant to this lease. Any policy of insurance required of Lessee under this lease shall also contain an endorsement providing that at least thirty (30) days notice must be given in writing to Lessor of any pending change in the limits of liability or of any cancellation or modification of the policy or policies.

In the event Lessee is self-insured, Lessee shall provide a certificate of self-insurance in a form satisfactory to Lessor.

PART VIII

This lease shall be in full force and effect on and after the 1st day of July, 2006, and shall remain in full force and effect until the 30th day of June, 2011 unless earlier terminated by mutual consent of both parties or by either party upon the furnishing of ninety (90) days written notice to the other. This lease may be modified by mutual consent of both parties. This lease shall not have any force or effect unless or until approved by the Board of Supervisors of San Joaquin County and signed by the Chairperson thereof.

IN WITNESS WHEREOF, the parties have set their hands as of the day and year first hereinabove written.


LESSEE:

CITY OF LODI, a municipal
corporation

BY: _____
Tony Goehring
Director, Parks & Recreation

BY: _____
Blair King
City Manager

APPROVED AS TO FORM

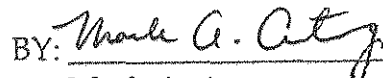
BY: 
Stephen Schwabauer
City Attorney


ATTEST:
Susan Blackston,
City Clerk

BY: _____

LESSOR:

LODI GRAPE FESTIVAL &
NATIONAL WINE SHOW
ASSOCIATION, INC.

BY: 
Mark A. Armstrong
General Manager

BY: 
Leonard Cicerello
President, Board of Directors

COUNTY OF SAN JOAQUIN
a political subdivision of the
State of California

BY: _____
Dario Marengo, Chair
Board of Supervisors

APPROVED AS TO FORM
TERRENCE R. DERMODY
County Counsel

BY: _____
Assistant County Counsel

ATTEST:
Lois M. Sahyoun
Clerk of the Board of Supervisors
of the County of San Joaquin,
State of California

BY: _____

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING MASTER LEASE AGREEMENT WITH LODI
GRAPE FESTIVAL AND NATIONAL WINE SHOW FOR
USE OF FACILITIES FOR RECREATIONAL PURPOSES

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve a Master Lease Agreement between the City of Lodi and the Lodi Grape Festival and National Wine Show Association for use of various festival ground facilities that serve for both indoor and outdoor recreational programs for an annual lease payment of \$20,000; and

BE IT FUTHER RESOLVED, that the City Manager and City Clerk are hereby authorized to execute said agreement on behalf of the City of Lodi; and

BE IT FURTHER RESOLVED that said agreement shall be in effect for a five-year period, commencing July 1, 2006 and ending June 30, 2011.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution authorizing the transfer of \$202,200 in CDBG funds from Project 02-07 Housing Assistance Programs to Project 05-02 LOEL Senior Housing Acquisition Project.

MEETING DATE: May 3, 2006

PREPARED BY: Community Improvement Manager

RECOMMENDED ACTION: Adopt a Resolution authorizing the transfer of \$202,200 in CDBG funds from Project LOD 02-07 Housing Assistance Programs, to Project LOD 05-02 LOEL Senior Housing Acquisition Project.

BACKGROUND INFORMATION: The Council has authorized allocations of CDBG/HOME funding to the LOEL Foundation for the acquisition of 303 E. Oak Street, to provide affordable senior housing, from both fiscal year(FY) 2005/06 (\$71,500) and FY 2006/07 (\$278,391).

The 2005/06 funding must be held back until the 2006/07 funds are available, which holds up the LOEL Foundation's acquisition of the property and increases the City's CDBG carry-over balance from one year to the next. There has been a continuing effort to reduce our carry-over balance to within the allowed ratio of 1.5 times our annual allocation in order to avoid penalties from the Department of Housing and Urban Development (HUD).

It is also the City's desire to expedite the LOEL Foundation's acquisition of the property to limit the additional expenses that they are incurring. The CDBG Program Administrators with the County have proposed this transfer of funds that will address both of these issues of reducing our current balance and allowing for the acquisition to be completed now rather than in July or August.

We are seeking Council authorization to transfer the current balance of \$202,200 from our 2002 Housing Assistance Program funding, which provides low-interest loans to qualifying low-income persons for housing rehabilitation and down-payment assistance. There is a sufficient balance of program income to continue to fund these programs during the transfer of funds. Once the 2006/07 funding is available, the County would backfill our Housing Assistance Program funding as a new 2006/07 activity.

In addition to the transfer of funds, we would be looking to administratively reallocate \$4,691 from our balance of Program Administration funding (Project 03-10) to complete the \$278,391 necessary for the acquisition.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: Transfer of funds is done at the County level, so there would be no expenditures through the Finance Department.

FUNDING AVAILABLE: Project LOD 02-07 – Housing Assistance Programs - \$202,200 available
Project LOD 03-10 – Program Administration - \$41,091 available

Ruby Paiste, Interim Finance Director

Joseph Wood
Community Improvement Manager

Concurred:

Randy Hatch
Community Development Director

Attachment: Time Table

cc: Finance Director
Karen Stevens, SJ County
LOEL Foundation

LOEL Time Table

Previous Funding Allocations

1996 – LOEL Foundation Building Rehab	\$ 45,000 – <i>Reallocated to 1998</i>
1997 – LOEL Foundation	\$ 60,000 – <i>Reallocated to 1998</i>
1998 – LOEL Foundation – Building Rehab Project	\$105,000 – <i>Completed</i>
1999 – LOEL Foundation – Interior/Exterior Renovation	\$ 75,000 – <i>Completed</i>
2000 – LOEL Foundation – Sidewalk/Streetscape Project	\$ 40,000 – <i>Completed</i>
2000 – LOEL Senior Center Program	\$ 10,000 – <i>Deemed Ineligible- Reallocated to 2005</i>
2002 – LOEL Foundation – Parking Lot Project	\$ 72,199 – <i>Completed</i>
2003 – LOEL Foundation – Minor Interior Rehab	\$ 22,908 – <i>Not yet started</i>
2004 – LOEL Senior Housing – Buy-down 301 E. Oak	\$202,681 (HOME Funds) – <i>Completed</i>
2004 – LOEL Senior Housing – Buy-down 301 E. Oak	\$100,109 (CDBG Funds) – <i>Completed</i>
2005 – LOEL Senior Housing – Acquisition 301 E. Oak	\$128,319 – <i>In Escrow</i>
2005 – LOEL Senior Housing – Buy-down 303 E. Oak	\$171,609 – <i>In Escrow</i>
2006 – LOEL Senior Housing – Acquisition 303 E. Oak	\$278,391

Of those allocations listed above, only the following funding allocations are outstanding:

2003 – LOEL Senior Center Rehab	\$ 22,908
Status: Labor Standards packet was provided to LOEL Admin to accommodate bids/quotes for work that will be done. Awaiting follow up from LOEL. Funds cannot be released to previous contractor because of signed agreement between LOEL and contractor releasing liability for work performed. Aside from the fact that the agreement exists, there are no labor standards documentation from that contractor.	
2005 – LOEL Senior Housing – Acquisition 301 E. Oak	\$128,319
Status: Necessary loan docs have been prepared, signed and forwarded to County. Funds placed in escrow and release is pending.	
2005 – LOEL Senior Housing – Buy-down 303 E. Oak	\$171,609
Status: Necessary loan docs have been prepared, signed and forwarded to County. Funds normally held until balance of funds for acquisition allocated in 2006/07 have been released in July/August. Proposed transfer will expedite that release of funds.	

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE TRANSFER OF COMMUNITY DEVELOPMENT BLOCK
GRANT FUNDS FROM PROJECT 02-07 HOUSING ASSISTANCE
PROGRAMS TO PROJECT 05-02 LOEL SENIOR HOUSING
ACQUISITION PROJECT

=====

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby approve the transfer of \$202,200 in Community Development Block Grant funds from Project 02-07 Housing Assistance Programs to Project 05-02 LOEL Senior Housing Acquisition Project; in order to expedite the LOEL Foundation acquisition of 303 E. Oak Street to provide affordable senior housing; and

BE IT FURTHER RESOLVED, that the City Council further approves the administrative reallocation of \$4,691 from the City's balance of Program Administration funding (Project 03-10) to complete the funds for the acquisition.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Reset Public Hearing for June 7, 2006, to Consider Adopting Resolution Implementing Previously-Authorized CPI-Based Water and Wastewater Rates

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council reset a public hearing for June 7, 2006, to consider adopting a resolution implementing previously-authorized CPI-based water and wastewater rates, in order to accommodate the required fifteen-day public notification process.

BACKGROUND INFORMATION: In the spring of 2004, the City Council approved rate increases for water and wastewater services. The City-wide public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted) and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment. The price index for December 2004 was 199.5 and 203.4 for December 2005, which translates to a change of 1.95%. This increase on all water and wastewater service charges results in adjusted water rates as shown on the attached tables. The rate increase is on all water and wastewater service charges, except for the PCE/TCE charges under water service. (The PCE/TCE rate analysis included a cost inflation allowance in establishing those increases with the three-step increase.) The increase amount for a 3-bedroom home is \$0.52 for water and \$0.49 for wastewater. The effective date of the increase is July 1, 2006.

FISCAL IMPACT: Increased annual water and wastewater fund revenue (approximately \$140,000 and \$150,000, respectively). The additional revenue is needed to help keep pace with increased costs of supplies, materials, and fuel, as well as other operational and capital costs.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst
RCP/RA/pmf
Attachments
cc: Steve Mann, Information Systems Manager

APPROVED: _____
Blair King, City Manager

City of Lodi Water Utility
Proposed Water Rates

Single-Family Residential	Current Rates				Rates Effective 7/1/2006			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE (2nd step)	Monthly Total
1 BR - House	13.67	4.97	2.43	21.07	13.94	5.07	4.86	23.87
2 BR - House	16.41	5.97	2.92	25.30	16.73	6.09	5.84	28.66
3 BR - House	19.68	7.15	3.50	30.33	20.06	7.29	7.00	34.35
4 BR - House	23.64	8.60	4.20	36.44	24.10	8.77	8.41	41.28
5 BR - House	28.36	10.32	5.04	43.72	28.91	10.52	10.09	49.52
6 BR - House	34.03	12.38	6.05	52.46	34.69	12.62	12.10	59.41
7 BR - House	40.82	14.85	7.26	62.93	41.62	15.14	14.52	71.28
Multi-Family Residential								
1 BR - APT	11.73	4.27	2.09	18.09	11.96	4.35	4.17	20.48
2 BR - APT	14.07	5.12	2.50	21.69	14.34	5.22	5.00	24.56
3 BR - APT (1)	16.88	6.14	3.00	26.02	17.21	6.26	6.00	29.47
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 1.95% except PCE/TCE surcharge								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/TCE	Total	Base	Infr. \$/ccf	PCE/TCE	Total
Commodity Charge per 100 cu. Ft.	0.490	0.233		0.723	0.500	0.238		0.738
monthly charge								
Comm. 5/8"	14.35		3.19	17.54	14.63		6.37	21.00
Comm. .75"	15.77		3.50	19.27	16.08		7.00	23.08
Comm. 1"	23.65		5.25	28.90	24.11		10.51	34.62
Comm. 1.5"	31.53		7.00	38.53	32.14		14.00	46.14
Comm. 2"	39.42		8.76	48.18	40.19		17.51	57.70
Comm. 3"	55.19		12.26	67.45	56.27		24.51	80.78
Comm. 4"	70.96		15.76	86.72	72.34		31.52	103.86
Comm. 6"	102.50		22.77	125.27	104.50		45.53	150.03
Comm. 8"	134.06		29.75	163.81	136.67		59.50	196.17
Comm. 10"	165.60		36.75	202.35	168.83		73.50	242.33
Construction Water Charges per 100 cu. Ft.	0.723				0.738			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

(3) Established City Utility Discr

City of Lodi Wastewater Utility
Proposed Wastewater Rates

	Current Rates			Rates Effective 7/1/2006		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	10.81	4.39	15.20	11.02	4.47	15.49
2 BR	14.41	5.85	20.26	14.69	5.96	20.65
3 BR	18.05	7.31	25.36	18.36	7.45	25.81
4 BR	21.65	8.78	30.43	22.04	8.94	30.98
5 BR	25.25	10.24	35.49	25.71	10.43	36.14
6 BR	28.85	11.70	40.55	29.38	11.92	41.30
7 BR	32.47	13.16	45.63	33.05	13.41	46.46

Moderate Strength (annual per SSU)	243.12	247.80
High Strength User:		
Flow (per MG, annual basis)	2,052.00	2,092.01
BOD (per 1,000 lbs., annual basis)	338.64	345.24
SS (per 1,000 lb., annual basis)	211.73	215.86
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	179.30	182.80
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	380.64	388.06
Disposal to Storm Drain System (per MG)	188.33	192.00
Disposal to Industrial System:		
Flow (per MG, annual basis)	1,309.48	n/a rates adusted annually per
BOD (per 1,000 lbs., annual basis)	22.82	LMC § 13.12.210
Winery Waste (per 1,000 gal.)	181.56	185.10

(1) Established City Utility Discounts apply to above rates

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Post for One Vacancy on the Lodi Animal Shelter Task Force

MEETING DATE: May 3, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That Council, by motion action, direct the City Clerk to post for one vacancy on the Lodi Animal Shelter Task Force.

BACKGROUND INFORMATION: The City Clerk's Office received a letter of resignation (filed) from Animal Shelter Task Force member, Barbara Steinheimer. It is, therefore, recommended that the City Council direct the City Clerk to post for the vacancy below.

Lodi Animal Shelter Task Force

Barbara Steinheimer Unspecified term limit

Government Code Section 54970 et seq. requires that the City Clerk post for vacancies to allow citizens interested in serving to submit an application. The City Council is requested to direct the City Clerk to make the necessary postings.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Susan J. Blackston
City Clerk

SJB/JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Amending Public Works Department Engineering Fees for Various Development Services; Amending Community Improvement Fees for Administrative Procedures; and Amending Planning Fees to Add Pre-Development Review and Hourly Charges

MEETING DATE: May 3, 2006 (Carried over from April 19 meeting)

PREPARED BY: Public Works Director and Community Development Director

RECOMMENDED ACTION: That the City Council adopt a resolution amending Public Works Department Engineering fees for various development services; amending Community Improvement fees for administrative procedures; and amending Planning fees to add pre-development review and hourly charges.

BACKGROUND INFORMATION:

Public Works

It is common practice for the Community Development Department to request review, comments, conditions and approval by Public Works Department staff as part of their review process for various development services, such as the review of annexation applications, development plans, tentative parcel and subdivision maps and site plan and architectural (SPARC) applications. Historically, the Public Works Department Engineering Division staff costs related to these activities were included in the fees collected by the Community Development Department. With the adoption of the restructured Community Development Department fee schedule in May 2005 and the establishment of a Special Revenue Fund for Community Development Department services, this is no longer the case.

In an effort to recover Public Works Department staff costs related to these discretionary services and reduce the burden on the General Fund, staff is recommending the amendment of seven Engineering fees. As mentioned, these fees have been collected by Community Development. The fees, as recommended, will be collected by Public Works. They are: 1) Annexation, 2) Development Plan, 3) Tentative Subdivision Map, 4) Tentative Parcel Map/Non-Residential Condominium Conversion, 5) Site Plan and Architectural Review, 6) Building Permit – Commercial/Industrial and 7) Building Permit – Residential. The typical services provided by Public Works Department Engineering Division staff related to these activities are described in Exhibit A.

In order to set fees appropriately, staff performed an analysis of personnel time and associated costs typically required to perform each task. Those costs include the cost of Public Works staff (salary plus benefits) plus the “fully loaded” costs for City-wide overhead (vehicle maintenance, building maintenance, telephone, etc.) and internal services (Finance, City Attorney, etc.). The proposed fees are shown on Exhibit B. We also surveyed neighboring communities in late 2005 for fees charged for these services. The results of the fee survey are shown on Exhibit C.

APPROVED: _____
Blair King, City Manager

The Public Works fees represent the level of effort and associated costs for an average development project. The applicability of the standard fee shall be determined by the Public Works Director or his designee. For example, the Development Plan fee represents the time required for a typical single-family residential development having 75 lots or less and does not cover the cost of reviewing a large-scale residential development. Single-family residential projects having more than 75 lots or commercial/industrial projects larger than two acres will be charged on a time and cost basis. The proposed hourly rate by staff position is shown on Exhibit D. The hourly rate is also based on salary plus benefits and the "fully loaded" costs for City-wide overhead.

The fee schedule for existing Engineering fees, except plan check and inspection, includes a provision for an annual adjustment on July 1 based on the Consumer Price Index (Western Region, Urban, unadjusted) for the previous calendar year. The new Engineering fees, because they are based upon actual time and cost, will be monitored by staff and these fees will need to be updated from time to time to reflect changes in salary, benefits and overhead costs.

It is recommended that these fees take effect June 15, 2006. It is further recommended that any applications subject to review by the Public Works Department that are submitted after the effective date shall be subject to the new fees.

Community Development

On April 5, 2006, the City Council introduced an ordinance amending code enforcement procedures and establishing administrative citations and administrative enforcement hearings. That ordinance was adopted April 19, 2006.

The ordinance establishes administrative citation fines but does not address all administrative fees. Such fees are established by resolution. Attached as Exhibit E is the proposed updated Community Improvement Fee Schedule to include new procedures established by the new code enforcement ordinance.

Also, for Council consideration is an updated Planning Fee Schedule. In May 2005, Council approved a new fee schedule for Planning fees. Based upon staff research, the new Planning fees were based primarily on an average of Planning fees charged in surrounding Cities. While this new fee schedule did increase Planning fees, it does not achieve full cost recovery except for only in the simplest of circumstances.

It is staff's desire to amend the fee schedule as shown in Exhibit F with the notation "plus hourly" to reflect actual staff time spent working on the request. Staff will collect the set fee for the Planning permit at time of application and then track staff time spent processing the permit. At conclusion of the permit processing (i.e., Planning Commission or City Council approval) staff will reconcile staff time spent processing the permit plus other required administrative charges (legal notice publishing costs, mail hearing notice costs, etc.) with the fee collected at application submittal. If not substantially equal, staff will then collect the balance due from the applicant as part of the issuance of the Planning permit.

Staff proposes two new procedures with the fee be added to the Planning Fee Schedule. One of these new procedures is a Pre-development Review. The intent is to provide a service where staff meets with an interested party to informally consider a proposal and perform an initial evaluation and a basic "fatal

flaw" analysis to provide the applicant with a general recommendation and initial review. It is staff's intent to meet with the applicant 7 to 10 working days after submittal to have the applicant explain the proposal and to receive verbal comments from staff. Planning staff would coordinate the meeting and invite staff from Engineering, Fire, Utilities and other City departments as needed. Staff proposes a fee of \$250 be established. While not likely to fully cover City staff time, the fee would partially cover City costs and discourage frivolous use of staff time. Staff is attempting to provide a service to the proposed applicant while minimizing the impact on staff time and resources. The second new fee is for a non-residential condominium conversion. The State Map Act and City code (LMC §16.12.030) allow for the administrative review and approval of the conversion of non-residential buildings to condominiums. This proposed administrative procedure is similar to a parcel map application but does not advance to the Planning Commission for a public hearing and Commission approval. Staff proposes a fee of \$2,000 plus hourly be established. Both of these new procedures are primarily proposed as a service to the development community to get projects off to a productive start and to save time for the development community.

Since staff time would be tracked and charged to the project, it is necessary to adopt the staff hourly rate by position. The proposed hourly rate reflects total salary plus benefits and does include overhead for materials, vehicle use, building maintenance and utilities. Exhibit G establishes these hourly rates for Community Improvement and Planning. These rates will need to be updated from time to time to reflect changes in salary, benefits and overhead costs.

FISCAL IMPACT: These updated fees and charges will help to insure that new development pays the costs of services provided to address new development. These fees will help to make the Public Works Department and Community Development Department self-supporting. Public Works staff estimates an annual increase in revenue on the order of \$100,000 from Engineering fees alone, based on development and building permit activity in 2005.

FUNDING AVAILABLE: Not Applicable.

Richard C. Prima, Jr.
Public Works Director

Randy Hatch
Community Development Director

Prepared by Sharon A. Welch, Senior Civil Engineer and Randy Hatch, Community Development Director
RCP/RH/SAW/pmf

Attachments

cc: City Engineer
Senior Civil Engineer Welch
Associate Civil Engineer Chang
Community Development Director
Planning Manager
Community Improvement Manager

ENGINEERING STAFF SERVICES

- 1) Annexation
 - a. Review existing infrastructure (underground utilities, street improvements, water supply, etc.) in the vicinity of the proposed annexation
 - b. Review existing utility master plans to broadly identify potential development issues, such as utility extensions, drainage requirements, street widening improvements, etc.
 - c. Provide written comments and conditions to the Community Development Department
- 2) Development Plan
 - a. Review existing infrastructure adjacent to proposed development site
 - b. Review proposed site layout with respect to traffic circulation, street right-of-way, proposed utility alignments, if provided, and other development requirements
 - c. Review existing utility master plans and identify infrastructure requirements such as utility extensions, drainage requirements, street widening improvements, etc.
 - d. Identify existing public utility easements affecting the development site
 - e. Research and identify any outstanding improvement deferral agreements, reimbursement agreements/resolutions, etc., and fees to be collected by the City
 - f. Interact with developer or Planning Division staff as necessary to obtain a good understanding of the proposed development and feasible alternatives for providing public services to the project
 - g. Provide written comments/conditions, including comments/conditions provided by the Electric Utility Department, to the Community Development Department
- 3) Tentative Subdivision Map
 - a. Task work includes all items listed above for Development Plan review but with increased level of detail.
 - b. Specify improvement plan check requirements, required agreements, abandonment of existing private utilities, funding arrangements for proposed improvements to be publicly maintained (masonry walls, landscaping, etc.) and required approvals from other agencies (Caltrans, San Joaquin County, etc.)
 - c. Comments/conditions provided by the Public Works Department Water/Wastewater Division and Electric Utility Department are incorporated into the written comments/conditions provided by the Engineering Division.
- 4) Tentative Parcel Map & Non-Residential Condominium Conversion
 - a. Review existing infrastructure adjacent to and currently serving the existing parcel. This usually includes a field review by Water/Wastewater Division personnel.
 - b. Identify public improvements to be completed and fees to be paid both prior to map filing and at the time of parcel development.
 - c. Provide written comments/conditions, including comments/conditions provided by the Water/Wastewater Division and Electric Utility Department, to the Community Development Department
- 5) Site Plan and Architectural Review (SPARC)
 - a. Review proposed site layout with respect to right-of-way or easement dedications, public improvements, driveway locations, utilities and required fees

EXHIBIT A

- b. Provide written comments/conditions to the Community Development Department
- 6) Building Permit – Commercial/Industrial
 - a. Review project plans for Public Works related issues, including dedications, street improvements, required utility extensions and services, encroachment permit requirements, etc., and provide written comments/requirements for plan revisions to the building permit applicant. Plan review usually includes a field review by Water/Wastewater Division staff.
 - b. Provide additional review and comments for plan revision submittals and interact with applicant during the plan review process, up to and including plan approval
 - c. Calculate and collect any required fees, such as development impact fees, wastewater capacity impact fees, utility service installation charges, water meter charges, reimbursement fees, etc.
 - d. Communicate with Building Division staff during the plan review process
- 7) Building Permit – Residential
 - a. Task work includes all the items required for commercial/industrial projects but on a much smaller scale. These projects are generally much less complex than commercial/industrial projects and require less staff time for review and approval.

EXHIBIT B

Engineering Fee	Proposed Fee ⁽¹⁾
Annexation ^{(2) (3)}	\$630
Development Plan ^{(2) (3)}	\$1050 plus \$15/lot over 5 lots
Tentative Subdivision Map ^{(2) (3)}	\$1050 1-5 lots plus \$15/lot over 5 lots
Tentative Parcel Map & Non-Residential Condominium Conversion	\$840
Site Plan	\$420
Building Permit - Commercial/Industrial/Multi-Family	\$600
Building Permit - Single-Family Residential	\$110

- ⁽¹⁾ These fees shall be adjusted annually by the inflation rate based on the prior calendar year as determined by the Consumer Price Index (Western Region, Urban, unadjusted). The rate of inflation (or deflation) is applied to the fees to determine the fees for the subsequent year. Said fee adjustments, if any, will be made automatically effective July 1 of each year.
- ⁽²⁾ Based on single-family residential developments having 75 lots or less. Single family residential projects having more than 75 lots will be charged on a time and cost basis.
- ⁽³⁾ Commercial/industrial projects larger than 2 acres will be charged on a time and cost basis.

EXHIBIT C

	Lodi Proposed Fee	San Joaquin County	Galt	Ripon ⁽¹⁾	Stockton ⁽²⁾	Tracy ⁽¹⁾	Lathrop ⁽¹⁾
Annexation	\$630	Research \$110 Processing - Actual Cost		\$2,343	\$5,185 (20-100 acres)	\$10,500	Actual Cost
Development Plan	\$1050 plus \$15/lot over 5 lots					\$3,800	
Tentative Subdivision Map	\$1050 1-5 Lots plus \$15/lot over 5 lots	\$4308 plus \$13/lot (vested map)	\$2,500	\$3,124	\$4,251 plus \$107/lot over 4 lots	\$10,000 (5-100 Lots) \$15,600 (101+ Lots)	\$3,620
Tentative Parcel Map	\$840	\$908 plus \$53/lot over 2 lots (vested map)	\$2,500	\$1,875	\$3,189	\$7,300	\$3,620
Site Plan	\$420	\$40-\$126 depending on project		\$549			\$1,255
Building Permit - Commercial/Industrial/Multi-Family	\$600	\$50	\$558		\$264		
Building Permit - Single-Family Residential	\$110	\$50	\$31		\$30		

⁽¹⁾ Fees shown include engineering and planning fees; no separate fee for engineering.

⁽²⁾ Fees for Annexation, Tentative Subdivision Map and Tentative Parcel Map include engineering and planning fees; no separate fee for engineering.

PUBLIC WORKS ENGINEERING HOURLY CHARGE⁽¹⁾

• Public Works Director	\$110/Hr
• City Engineer	\$90/Hr
• Senior Civil Engineer	\$80/Hr
• Senior Traffic Engineer	\$80/Hr
• Associate Civil Engineer	\$75/Hr
• Senior Engineering Technician	\$60/Hr
• Assistant Engineer	TBD if filled
• Junior Engineer	TBD if filled
• Engineering Technician	TBD if filled

(1) These hourly rates are fully burdened, which includes salary, all benefits, and overhead.

EXHIBIT E

FEE SCHEDULE

City of Lodi Community Development Department – Community Improvement Division

	<u>Current</u>	<u>Proposed</u>
Initial Field Inspection Fee	0	\$50
Initial Compliance Inspection	0	\$50

Both of the aforementioned fees would be waived if voluntary compliance is obtained within given deadline.

Code Compliance Permit Fee	\$100/hr	\$100/hr
Reinspection Fee	n/a	\$50

Initial Non-Compliance Fee	\$100	\$100
Subsequent Non-Compliance Fees	\$300	\$300

Initial Appeal Fee	\$300	\$100
Second Appeal Fee	n/a	\$300



FEE SCHEDULE

CITY OF LODI, COMMUNITY DEVELOPMENT DEPARTMENT, 221 W. PINE ST., LODI, CA 95240
 PHONE: (209) 333-6711 FAX: (209) 333-6842

PLANNING:	FEE
ADMINISTRATIVE DEVIATION.....	\$350 + HOURLY
ANNEXATION	\$4,000 + HOURLY
APPEALS.....	\$300
DEVELOPMENT PLAN REVIEW	\$2,500 + HOURLY
ENVIRONMENTAL IMPACT REPORT	HOURLY
GENERAL PLAN AMENDMENT	\$3,000 + HOURLY
HOME OCCUPATION	\$100
LANDSCAPE REVIEW.....	\$175 + HOURLY
LIVE ENTERTAINMENT PERMIT	\$200
LOT LINE ADJUSTMENT	\$650 + HOURLY
MITIGATION MONITORING.....	\$HOURLY
NEGATIVE DECLARATION	\$900 + HOURLY
TENTATIVE PARCEL MAP	\$2,500 + HOURLY
NON-RESIDENTIAL CONDOMINIUM CONVERSIONS	\$2,000 + HOURLY
PRELIMINARY ENVIRONMENTAL ASSESSMENT	\$250 + HOURLY
REZONE	\$2,000 + HOURLY
SITE PLAN AND ARCHITECTURAL REVIEW (SPARC)	\$1,875 + HOURLY
TENTATIVE SUBDIVISION MAP	\$4,600 + HOURLY
USE PERMIT	\$2,000 + HOURLY
VARIANCE.....	\$1,000 + HOURLY
PRE-DEVELOPMENT REVIEW	\$250
DOCUMENT IMAGING.....	\$50/APPLICATION
STAFF CONSULTATION (INCLUDING LETTERS).....	HOURLY

THE APPLICATION FEES LISTED ABOVE ARE REFUNDABLE UNDER THE FOLLOWING CIRCUMSTANCES:

- WITHIN 30-DAYS OF APPLICATION – 75% REFUND.
- AFTER PROJECT ACCEPTANCE AND CIRCULATION FOR REVIEW – 50% REFUND.
- AFTER FORMULATION OF STAFF RECOMMENDATION TO PLANNING COMMISSION AND/OR CITY COUNCIL, OR 90-DAYS, WHICHEVER COMES FIRST – NO REFUND.

STAFF REQUESTS FOR INFORMATION, CORRECTIONS, OR AMENDMENTS MUST BE SUBMITTED WITHIN 30-DAYS. IF A PROJECT IS INACTIVE BEYOND 30-DAYS, THE APPLICATION WILL BE RETURNED AND A REFUND PROCESSED.

BUILDING: SEE “BUILDING FEES COLLECTED AT PERMIT ISSUANCE”

COMMUNITY DEVELOPMENT HOURLY CHARGE

COMMUNITY IMPROVEMENT

- | | |
|----------------------------------|---------|
| • Community Improvement Manager | \$70/Hr |
| • Community Improvement Officers | \$45/Hr |
| • Administrative Clerk | \$30/Hr |

PLANNING

- | | |
|----------------------------------|---------------------|
| • Community Development Director | \$100/Hr |
| • Planning Manager | \$80/Hr |
| • Senior Planner | \$65/Hr |
| • Associate Planner | \$55/Hr |
| • Assistant Planner | \$50/Hr (if filled) |
| • Junior Planner | \$45/Hr (if filled) |
| • Contract Planner | \$80/Hr +/- (TBD) |
| • Administrative Secretary | \$40/Hr |

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AMENDING
PUBLIC WORKS DEPARTMENT ENGINEERING FEES FOR VARIOUS
DEVELOPMENT SERVICES; AMENDING COMMUNITY IMPROVEMENT
FEES FOR ADMINISTRATIVE PROCEDURES; AND AMENDING
PLANNING FEES FOR PRE-DEVELOPMENT REVIEW AND
HOURLY CHARGES

=====

WHEREAS, the Lodi Municipal Code requires the City Council, by Resolution, to set fees for various services provided by the City of Lodi to recover those costs associated with providing specific services and programs; and

Public Works:

WHEREAS, it is common practice for the Community Development Department to request review, comments, conditions, and approval by Public Works Department staff as part of its review process for various development services, such as the review of annexation applications, development plans, tentative parcel and subdivision maps, and site plan and architectural applications; and

WHEREAS, historically, the Public Works Department Engineering Division staff costs related to these activities were considered to be covered by the fees collected by the Community Development Department. With the adoption of the restructured Community Development Department fee schedule in May 2005 and the establishment of a Special Revenue Fund for Community Development Department services, this is no longer the case; and

WHEREAS, in an effort to recover Public Works Department staff costs related to these discretionary services and reduce the burden on the General Fund, staff is recommending the amendment of seven Engineering fees to be collected by the Public Works Department. They are: 1) Annexation, 2) Development Plan, 3) Tentative Subdivision Map, 4) Tentative Parcel Map/Non-Residential Condominium Conversion, 5) Site Plan and Architectural Review, 6) Building Permit – Commercial/Industrial, and 7) Building Permit – Residential; and

WHEREAS, in order to set fees appropriately, staff performed an analysis of personnel time and associated costs typically required to perform each task. Those costs include the cost of Public Works staff (salary plus benefits) plus the “fully loaded” costs for Citywide overhead (vehicle maintenance, building maintenance, telephone, etc.) and internal services (Finance, City Attorney, etc.). The proposed fees are shown on Exhibit A; and

WHEREAS, the fees represent the level of effort and associated costs for an average development project. The applicability of the standard fee shall be determined by the Public Works Director or his designee with projects exceeding an average level of staff work being charged on a time and cost basis. The proposed hourly rate by staff position is shown on Exhibit B. The hourly rate is also based on salary plus benefits and the “fully loaded” costs for City-wide overhead; and

WHEREAS, the fee schedule for existing Engineering fees, except plan check and inspection, includes a provision for an annual adjustment on July 1 based on the Consumer Price Index (Western Region, Urban, unadjusted) for the previous calendar year. Because the new Engineering fees are based upon actual time and cost, staff will continue to monitor all Engineering services and request Council to update them from time to time to reflect changes in salary, benefits and overhead costs; and

WHEREAS, it is recommended that the new fees take effect on June 15, 2006. It is further recommended that any applications subject to review by the Public Works Department that are submitted after the effective date shall be subject to the new fees; and

Community Development:

WHEREAS, on April 5, 2006, the City Council introduced an ordinance amending code enforcement procedures and establishing administrative citations and administrative enforcement hearings; and

WHEREAS, the ordinance establishes administrative citation fines but does not address all administrative fees. Such fees are established by resolution. Attached as Exhibit C is the proposed updated Community Improvement Fee Schedule to include new procedures established by the new code enforcement ordinance; and

WHEREAS, in May 2005, the City Council approved a new fee schedule for Planning fees that was based primarily on an average of Planning fees charged in surrounding cities. While this new fee schedule did increase Planning fees, it does not achieve full cost recovery, except for only in the simplest of circumstances; and

WHEREAS, staff recommends amending the fee schedule as shown in Exhibit D with the notation "plus hourly" to reflect actual staff time spent working on the request. Staff will collect the set fee for the Planning permit at time of application and then track staff time spent processing the permit. At conclusion of the permit processing (i.e., Planning Commission or City Council approval), staff will reconcile staff time spent processing the permit plus other required administrative charges (legal notice publishing costs, mail hearing notice costs, etc.) with the fee collected at application submittal. If not substantially equal, staff will then collect the balance due from the applicant as part of the issuance of the Planning permit; and

WHEREAS, staff proposes two new procedures with the fee being added to the Planning Fee Schedule (Exhibit D). One of these procedures is a Pre-development Review; the second new fee is for a non-residential condominium conversion; and

WHEREAS, since staff time would be tracked and charged to the project, it is necessary to adopt the staff hourly rate by position. The proposed hourly rate reflects total salary plus benefits and does include overhead for materials, vehicle use, building maintenance, and utilities. Exhibit E establishes these hourly rates for Community Improvement and Planning. These rates will need to be updated by Resolution from time to time to reflect changes in salary, benefits, and overhead costs.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby implement the fee schedules attached hereto, marked Exhibit A, B, C, D, and E and made a part of this Resolution; and

BE IT FURTHER RESOLVED that the Engineering fees will also be subject to an annual adjustment on July 1 based on the Consumer Price Index (Western Region, Urban, unadjusted) for the previous calendar year; and

BE IT FURTHER RESOLVED that any applications subject to review by the Public Works or Community Development Departments that are submitted after the effective date of this Resolution shall be subject to the new fees; and

RESOLVED FURTHER that all resolutions or parts of resolutions in conflict herewith are repealed insofar as such conflict may exist; and

RESOLVED FURTHER that this resolution shall be published one time in the Lodi News Sentinel, a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect on June 15, 2006.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____

Engineering Fee	Proposed Fee ⁽¹⁾
Annexation ^{(2) (3)}	\$630
Development Plan ^{(2) (3)}	\$1050 plus \$15/lot over 5 lots
Tentative Subdivision Map ^{(2) (3)}	\$1050 1-5 lots plus \$15/lot over 5 lots
Tentative Parcel Map & Non-Residential Condominium Conversion	\$840
Site Plan	\$420
Building Permit - Commercial/Industrial/Multi-Family	\$600
Building Permit - Single-Family Residential	\$110

⁽¹⁾ These fees shall be adjusted annually by the inflation rate based on the prior calendar year as determined by the Consumer Price Index (Western Region, Urban, unadjusted). The rate of inflation (or deflation) is applied to the fees to determine the fees for the subsequent year. Said fee adjustments, if any, will be made automatically effective July 1 of each year.

⁽²⁾ Based on single-family residential developments having 75 lots or less. Single family residential projects having more than 75 lots will be charged on a time and cost basis.

⁽³⁾ Commercial/industrial projects larger than 2 acres will be charged on a time and cost basis.

PUBLIC WORKS ENGINEERING HOURLY CHARGE⁽¹⁾

• Public Works Director	\$110/Hr
• City Engineer	\$90/Hr
• Senior Civil Engineer	\$80/Hr
• Senior Traffic Engineer	\$80/Hr
• Associate Civil Engineer	\$75/Hr
• Senior Engineering Technician	\$60/Hr
• Assistant Engineer	TBD if filled
• Junior Engineer	TBD if filled
• Engineering Technician	TBD if filled

(1) These hourly rates are fully burdened, which includes salary, all benefits, and overhead.

EXHIBIT C**FEE SCHEDULE**

City of Lodi Community Development Department – Community Improvement Division

	<u>Current</u>	<u>Proposed</u>
Initial Field Inspection Fee	0	\$50
Initial Compliance Inspection	0	\$50

Both of the aforementioned fees would be waived if voluntary compliance is obtained within given deadline.

Code Compliance Permit Fee	\$100/hr	\$100/hr
Reinspection Fee	n/a	\$50
Initial Non-Compliance Fee	\$100	\$100
Subsequent Non-Compliance Fees	\$300	\$300
Initial Appeal Fee	\$300	\$100
Second Appeal Fee	n/a	\$300



FEE SCHEDULE

CITY OF LODI, COMMUNITY DEVELOPMENT DEPARTMENT, 221 W. PINE ST., LODI, CA 95240
 PHONE: (209) 333-6711 FAX: (209) 333-6842

PLANNING:	FEE
ADMINISTRATIVE DEVIATION.....	\$350 + HOURLY
ANNEXATION.....	\$4,000 + HOURLY
APPEALS.....	\$300
DEVELOPMENT PLAN REVIEW.....	\$2,500 + HOURLY
ENVIRONMENTAL IMPACT REPORT.....	HOURLY
GENERAL PLAN AMENDMENT.....	\$3,000 + HOURLY
HOME OCCUPATION.....	\$100
LANDSCAPE REVIEW.....	\$175 + HOURLY
LIVE ENTERTAINMENT PERMIT.....	\$200
LOT LINE ADJUSTMENT.....	\$650 + HOURLY
MITIGATION MONITORING.....	\$HOURLY
NEGATIVE DECLARATION.....	\$900 + HOURLY
TENTATIVE PARCEL MAP.....	\$2,500 + HOURLY
NON-RESIDENTIAL CONDOMINIUM CONVERSIONS.....	\$2,000 + HOURLY
PRELIMINARY ENVIRONMENTAL ASSESSMENT.....	\$250 + HOURLY
REZONE.....	\$2,000 + HOURLY
SITE PLAN AND ARCHITECTURAL REVIEW (SPARC).....	\$1,875 + HOURLY
TENTATIVE SUBDIVISION MAP.....	\$4,600 + HOURLY
USE PERMIT.....	\$2,000 + HOURLY
VARIANCE.....	\$1,000 + HOURLY
PRE-DEVELOPMENT REVIEW.....	\$250
DOCUMENT IMAGING.....	\$50/APPLICATION
STAFF CONSULTATION (INCLUDING LETTERS).....	HOURLY

THE APPLICATION FEES LISTED ABOVE ARE REFUNDABLE UNDER THE FOLLOWING CIRCUMSTANCES:

- WITHIN 30-DAYS OF APPLICATION – 75% REFUND.
- AFTER PROJECT ACCEPTANCE AND CIRCULATION FOR REVIEW – 50% REFUND.
- AFTER FORMULATION OF STAFF RECOMMENDATION TO PLANNING COMMISSION AND/OR CITY COUNCIL, OR 90-DAYS, WHICHEVER COMES FIRST – NO REFUND.

STAFF REQUESTS FOR INFORMATION, CORRECTIONS, OR AMENDMENTS MUST BE SUBMITTED WITHIN 30-DAYS. IF A PROJECT IS INACTIVE BEYOND 30-DAYS, THE APPLICATION WILL BE RETURNED AND A REFUND PROCESSED.

BUILDING: SEE "BUILDING FEES COLLECTED AT PERMIT ISSUANCE"

COMMUNITY DEVELOPMENT HOURLY CHARGE**COMMUNITY IMPROVEMENT**

- Community Improvement Manager \$70/Hr
- Community Improvement Officers \$45/Hr
- Administrative Clerk \$30/Hr

PLANNING

- Community Development Director \$100/Hr
- Planning Manager \$80/Hr
- Senior Planner \$65/Hr
- Associate Planner \$55/Hr
- Assistant Planner \$50/Hr (if filled)
- Junior Planner \$45/Hr (if filled)
- Contract Planner \$80/Hr +/- (TBD)
- Administrative Secretary \$40/Hr



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for Preparation of Travel Demand Forecasting Model for General Plan Update and Appropriating Funds (\$160,000)

MEETING DATE: May 3, 2006 (Carried over from April 19 meeting)

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute a professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for preparation of a travel demand forecasting model for General Plan update and appropriating funds in the amount of \$160,000.

BACKGROUND INFORMATION: The City Council has directed staff to proceed with the update of the City of Lodi General Plan.

The existing traffic model for the City was prepared in 1990, in conjunction with the current General Plan. A number of subsequent traffic analyses have been completed using the 1990 traffic model, the SJCOG regional model, and derivatives thereof.

Staff recommends preparation of a new travel demand model for existing conditions within the City to accelerate the schedule of the General Plan traffic analysis and this will result in fiscal efficiency by preparing the existing conditions model in advance. In addition, the model will be able to identify areas with excess traffic carrying capacity for consideration in designating land-use in the new General Plan.

Requests for proposals were sent to two firms pre-qualified for the General Plan consultant teams. A single proposal was received from Fehr & Peers. This company has done a substantial amount of traffic planning in the area, including Lodi, and is well-suited to do this work.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: IMF General City Facilities

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by F. Wally Sandelin, City Engineer
RCP/FWS/pmf

cc: Randy Hatch, Community Development Director
Paula Fernandez, Senior Traffic Engineer

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
PROFESSIONAL SERVICES AGREEMENT WITH FEHR &
PEERS TRANSPORTATION CONSULTANTS FOR
PREPARATION OF TRAVEL DEMAND FORECASTING
MODEL FOR GENERAL PLAN UPDATE AND FURTHER
APPROPRIATING FUNDS

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute a professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, California, for the preparation of a travel demand forecasting model for General Plan update; and

BE IT FURTHER RESOLVED that funds in the amount of \$160,000 be appropriated from Impact Mitigation Fee General City Facilities for this project.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution complying with the order of the San Joaquin County Superior Court dated February 10, 2006 to vacate approval of the resolutions regarding the Lodi Shopping Center: a) certification of Environmental Impact Report 03-01 (SC#2003042113); b) approval of Use Permit U-02-12; and b) approval of Tentative Parcel Map 03-P-001; and Adopt resolution authorizing the City Manager to execute two agreements to prepare Environmental Impact Report Amendments for the Lodi Shopping Center; one agreement with Pacific Municipal Consultants for \$72,000.00 and one agreement with Bay Area Economics for \$46,075.00

MEETING DATE: May 3, 2006 (Carried over from the meeting of 4/19/06)

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: That the City Council adopt resolution complying with the order of the San Joaquin County Superior Court dated February 10, 2006 to vacate approval of the resolutions regarding the Lodi Shopping Center: a) certification of Environmental Impact Report 03-01 (SC#2003042113); b) approval of Use Permit U-02-12; and b) approval of Tentative Parcel Map 03-P-001; and

That the City Council adopt resolution authorizing the City Manager to execute two agreements to prepare Environment Impact Report (EIR) Amendments for the Lodi Shopping Center; one agreement with Pacific Municipal Consultants for \$72,000.00 and one agreement with Bay Area Economics for \$46,075.00.

BACKGROUND INFORMATION: The Planning Commission and City Council evaluated and certified an Environmental Impact Report (EIR) and approved a Use Permit and Tentative Map for the Lodi Shopping Center. The Center is at the southwest corner of Kettleman Lane and Lower Sacramento Road and is anchored by a Super Wal-Mart and contains other retail tenants. The City's certification of the EIR was challenged in Superior Court and on December 19, 2005, the court found the EIR to be deficient. This action voided City approvals for this project. On February 10, 2006, the Court ordered the City to vacate approval of the following Planning Commission and City Council resolutions approving the project:

- a. Planning Commission Resolution 04-64 certifying the EIR 03-01 adopted on December 8, 2004;
- b. Planning Commission Resolution 04-65 approving Use Permit U-02-12 and Tentative Parcel Map 03-P-001 adopted on December 8, 2004;
- c. City Council Resolution 2005-26 certifying the EIR 03-01 adopted on February 3, 2005; and
- d. City Council Resolution 2005-38 approving Use Permit U-02-12 and Tentative Parcel Map 03-P-001 adopted on February 16, 2005.

The attached Resolution vacates the above actions complying with the Superior Court Order. The Council has directed staff to address the deficiencies found by the Superior Court and amend the original EIR. Staff in close cooperation with our attorney on this case, has been in discussions with our original EIR consultant to prepare an approach to address the deficiencies found by the Court. Attached are the scopes of

APPROVED: _____
Blair King, City Manager

work by Pacific Municipal Consultants (PMC) and Bay Area Economics (BAE) to complete this work. While PMC continues as the prime consultant on this work, BAE has been added to specifically prepare the economic impacts analysis needed due to the Court's decision. The schedule for this work is included in PMC's proposal and has a target date of January 17, 2007 for the first public hearing (before the Planning Commission).

FISCAL IMPACT: There are no fiscal impacts related to the vacation of the approval of the resolutions regarding the Lodi Shopping Center.

The cost to prepare Environment Impact Report (EIR) Amendments for the Lodi Shopping Center is \$72,000.00 for PMC and \$46,075.00 for BEA. All of these costs will be paid for by the developer (Browman Development Company).

FUNDING AVAILABLE: N/A

Ruby Paiste, Interim Finance Director

Randy Hatch
Community Development Director

RH/kjc

Attachments: Resolution to vacate approval
Resolution to award contract, PMC Proposal, & BAE Proposal

cc: City Attorney

RESOLUTION NO. 2005-26

A RESOLUTION OF THE LODI CITY COUNCIL
CERTIFYING THE FINAL ENVIRONMENTAL IMPACT
REPORT (EIR-03-01) RELATING TO THE LODI
SHOPPING CENTER; STATE CLEARINGHOUSE
NO. 2003042113

WHEREAS, an application was filed by Browman Development Company for a commercial shopping center at 2640 W. Kettleman Lane, more particularly described as Assessor's Parcel numbers 058-030-08 and 058-030-02 and a portion of 058-030-09; and

WHEREAS, the Community Development Director made a determination that the project may have impact on the environment and ordered the preparation of an Environmental Impact Report (EIR); and

WHEREAS, the Notice of Preparation (NOP) of the Draft EIR was prepared and distributed to reviewing agencies on April 14, 2003; and

WHEREAS, the Draft Environmental Impact Report (DEIR) was released on August 5, 2004, for circulation; and

WHEREAS, the Planning Commission of the City of Lodi, after ten (10) days published notice, held a study session and public hearing on September 9, 2004. Public comments on the DEIR were taken at that hearing; and

WHEREAS, a Final EIR (FEIR) responding to all public comments on the DEIR submitted prior to the expiration of the comment period was prepared and released to the public and commenting agencies on November 22, 2004; and

WHEREAS, the Planning Commission of the City of Lodi, after ten (10) days published notice, held a public hearing before said Commission on December 8, 2004; and

WHEREAS, the Planning Commission of the City of Lodi has reviewed and certified the Final Environmental Impact Report prepared for the project; and

WHEREAS, that certification has been appealed to the Lodi City Council; and

WHEREAS, the Lodi City Council has reviewed and considered the FEIR prepared for the project; and

WHEREAS, the California Environmental Quality Act (CEQA) requires that, in connection with the approval of a project for which an EIR has been prepared which identifies one or more significant effects, the decision-making agency make certain findings regarding those effects.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED as follows:

1. The foregoing recitals are true and correct.

2. THAT THE CITY COUNCIL finds that full and fair public hearings had been held on the EIR and the City Council having considered all comments received thereon, and determined that said EIR is adequate and complete; and said EIR is hereby incorporated herein by reference.
3. THAT THE CITY COUNCIL determines, in connection with the recommended approval of the proposed Use Permit application for the Lodi Shopping Center, that the FEIR for those actions has been prepared in compliance with CEQA and the state and local environmental guidelines and regulations, that it has independently reviewed and analyzed the information contained therein, including the written comments received during the EIR review period and the oral comments received at the public hearings, and that the FEIR represents the independent judgment of the City of Lodi as Lead Agency for the project.
4. THAT THE CITY COUNCIL finds and recognizes that the FEIR contains additions, clarifications, modifications, and other information in its responses to comments on the DEIR and also incorporates text changes to the EIR based on information obtained from the City since the DEIR was issued. The City Council finds and determines that such changes and additional information are not significant new information as that term is defined under the provisions of CEQA because such changes and additional information do not indicate that any new significant environmental impacts not already evaluated would result from the project and they do not reflect any substantial increase in the severity of any environmental impact; no feasible mitigation measures considerably different from those previously analyzed in the DEIR have been proposed that would lessen significant environmental impacts of the project; and no feasible alternatives considerably different from those analyzed in the DEIR have been proposed that would lessen the significant environmental impacts of the project. Accordingly, the City Council finds and determines that recirculation of the FEIR for further public review and comment is not warranted.
5. THAT THE CITY COUNCIL makes the following findings with respect to the significant effects on the environment resulting from the project, as identified in the hereinbefore mentioned FEIR, with the stipulation that (i) all information in these findings is intended as a summary of the full administrative record supporting the FEIR, which full administrative record is available for review through the Director of Community Development at his office in City Hall at 221 West Pine Street, Lodi, 95241, and (ii) any mitigation measures and/or alternatives that were suggested by the commentators on the DEIR and were not adopted as part of the FEIR are hereby expressly rejected for the reasons stated in the responses to comments set forth in the FEIR and elsewhere on the record.

I. AGRICULTURAL RESOURCES

A. LOSS OF PRIME AGRICULTURAL LAND

1. **Impact:** The project would convert approximately 40 acres of prime agricultural land to urban uses. As stated in the City's General Plan, no mitigation is available which would reduce this impact to a less-than-significant level except an outright prohibition of all development on prime agricultural lands. (Significant and Unavoidable Impact)
2. **Mitigation:** No feasible mitigation is available.

3. **Finding:** There are no feasible mitigation measures available that would reduce or avoid the significant loss of agricultural land if the project is implemented. Specific economic, legal, social, technological or other considerations make mitigation of this impact infeasible. In particular, mitigation is infeasible because it is not possible to re-create prime farmland on other lands that do not consist of prime agricultural soils. This impact therefore remains significant and unavoidable.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

As discussed in the DEIR and FEIR, there are no feasible measures that would reduce the impact of loss of prime agricultural land resulting from the project to a less-than-significant level. The project's significant and unavoidable impacts to agricultural resources could be avoided by denying the project or requiring a reduced project, which would prevent the conversion of all or a portion of the site to urban uses. However, this action would not meet the objective of the applicant or the City of Lodi of developing the site for a commercial retail shopping plaza in conformance with the General Plan and zoning designations applicable to the site. In addition, denial of the project would not constitute a "feasible mitigation," and therefore would not be required under Section 15126.4 of the state CEQA Guidelines.

Although project-specific impacts to prime farmland cannot be feasibly mitigated to less-than-significant levels, the City has in fact minimized and substantially lessened the significant effects of development on prime agricultural land through the policies of its adopted General Plan. A principal purpose of the City's General Plan regulatory scheme is to minimize the impact on prime agricultural land resulting from the City's urban expansion. The City of Lodi is recognized for its compact growth pattern and clearly defined urban boundaries, its emphasis on infill development, and its deliberate and considered approach to urban expansion to accommodate housing and other long-term development needs. These guiding principles serve to minimize and forestall conversion of agricultural lands within the City's growth boundaries.

The General Plan policies related to agricultural preservation and protection are intended, and have been successful, in maintaining the productivity of prime agricultural land surrounding the City by controlling urban expansion in a manner which has the least impact on prime agricultural lands. In addition to maintaining compact and defined urban growth boundaries, this is primarily accomplished through the City's Growth Management Plan for Residential Development, which limits housing development to a growth rate of two percent per year, and which gives priority to proposed residential developments with the least impact on agricultural land, in accordance with General Plan policy.

The General Plan implementation program includes a directive to "identify and designate an agricultural and open space greenbelt around the urbanized area of the City" (Land Use and Growth Management Implementation Program 10). This buffer zone is intended to provide a well-defined edge to the urban area, and to minimize conflicts at the urban-agricultural interface by providing a transition zone separating urban from agricultural uses, and to remove uncertainty for agricultural operations near the urban fringe. The implementation of the greenbelt will involve the dedication of setback zones of varying widths between the edge of development and adjacent agricultural land. The City of

Lodi has initiated the creation of the greenbelt through the Westside Facilities Master Plan, which encompasses the largely undeveloped lands adjacent to the northwest portion of the City and extends westward approximately one-half mile west of Lower Sacramento Road. The designated greenbelt is located along the western edge of the Master Plan area and varies in width from 200 feet to approximately 350 feet. The greenbelt will perform an important function in minimizing urban-agricultural conflicts and promote the preservation of prime agricultural land west of the greenbelt; however, it will not constitute mitigation for loss of farmland since it cannot itself be farmed. In addition, the City is continuing to study the implementation of a greenbelt area between Stockton and Lodi, and is committed to the implementation of such a greenbelt.

It has been suggested that the purchase of conservation easements on, or fee title to, agricultural land not on the project site, or the payment of in-lieu fees for such purpose, be required as mitigation for loss of prime agricultural lands. However, conservation easements or other techniques used to protect existing agricultural lands do not create new equivalent agricultural lands which would compensate for the conversion of the subject lands to urban uses. In other words, the easements apply to agricultural land that already physically exists, so "preserving" such land from future conversion, which may or may not occur, does nothing to compensate for the reduction in the overall supply of farmland. Therefore, such easements do not provide true mitigation for the loss of a particular parcel of agricultural land, and as such cannot be considered project-specific mitigation for agricultural conversions due to a development project. This is not to say that the preservation of prime farmland is not a laudable goal, only that CEQA is not the proper mechanism for achieving this goal.

In summary, the City of Lodi makes an extensive effort to avoid the loss of prime farmland through its careful planning of urban areas. Nevertheless, the City recognizes that there is no feasible mitigation available to reduce this impact on the project site to a less-than-significant level and, therefore, the impact remains significant and unavoidable. These facts support the City's finding.

5. **Statement of Overriding Considerations:** The following is a summary of the benefits that the City Council finds outweigh the significant unavoidable impacts of the project, the full discussion of which can be found in the "Statement of Overriding Considerations" at the end of this document. The project is expected to provide substantial revenues for the City of Lodi General Fund through increased sales tax and property tax, and will generate employment opportunities for Lodi residents. The project will implement vital municipal infrastructure improvements in the project vicinity, and impact fees paid by the project will help fund public services throughout the City of Lodi. The project will implement adopted City plans and policies by accomplishing the City of Lodi's long-term development plans for commercial use at the project site, consistent with City's growth control measures prioritizing in-fill development within the existing City boundaries. The project will reflect a high quality of design, through the on-site implementation of the City's recently adopted Design Guidelines for Large Commercial Establishments, which will be particularly important at this visually prominent western gateway into the City.

II. GEOLOGY AND SOILS

A. SEISMIC HAZARD FROM GROUND SHAKING

1. **Impact:** Strong ground shaking occurring on the site during a major earthquake event could cause severe damage to project buildings and structures. (Significant Impact)
2. **Mitigation:** Structural damage to buildings resulting from ground shaking shall be minimized by following the requirements of the Uniform Building Code, and implementing the recommendations of the project geotechnical engineer.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

All portions of the project will be designed and constructed in accordance with the Uniform Building Code guidelines for Seismic Zone 3 to avoid or minimize potential damage from seismic shaking at the site. Conformance with these requirements will be ensured by the Building Division through its routine inspection and permitting functions. These facts support the City's findings.

B. SEISMICALLY-INDUCED GROUND SETTLEMENTS

1. **Impact:** There is a potential for seismically-induced ground settlements at the site, which could result in damage to project foundations and structures. (Significant Impact)
2. **Mitigation:** If subsequent design-level geotechnical studies indicate unacceptable levels of potential seismic settlement, available measures to reduce the effects of such settlements would include replacement of near-surface soils with engineered fill, or supporting structures on quasi-rigid foundations, as recommended by the project geotechnical engineer.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

As part of the mitigation for this impact, geotechnical investigations will be completed prior to the approval of building permits for specific buildings, and these buildings will be designed in conformance with the geotechnical report's recommendations to reduce this potential hazard. Implementation of the recommendations will be ensured by the Public Works Department and Building Division through their routine inspection and permitting functions. These facts support the City's findings.

C. STORMWATER BASIN BANK INSTABILITY

1. **Impact:** There is a potential for bank instability along the banks of the proposed basin. (Significant Impact)
2. **Mitigation:** Design-level geotechnical studies shall investigate the potential of bank instability at the proposed basin and recommend appropriate setbacks, if warranted.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

As part of the mitigation for this impact, geotechnical investigations will be completed along with the design-level improvement plans for the stormwater basin, and the Public Works Director will ensure that the basin is be constructed in conformance with the geotechnical report's recommendations to reduce this potential hazard. These facts support the City's findings.

D. SOIL CONSOLIDATION AND COLLAPSE

1. **Impact:** Soils present on the site are subject to moisture-induced collapse, which could result in damage to structures. (Significant Impact)
2. **Mitigation:** The effects of soil consolidation and collapse can be mitigated by placing shallow spread foundations on a uniform thickness of engineered fill; specific measures shall be specified by an engineering geologist, as appropriate, in response to localized conditions.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

As part of the mitigation for this impact, geotechnical investigations will be completed prior to the approval of building permits for specific buildings, and the Public Works Department and Building Division will ensure that these buildings are be designed in conformance with the geotechnical report's recommendations to reduce this potential hazard. These facts support the City's finding.

E. EXPANSIVE SOILS

1. **Impact:** There is a low, but not necessarily insignificant, potential for soils expansion at the site, which could result in differential subgrade movements and cracking of foundations. (Significant Impact)
2. **Mitigation:** The potential damage from soils expansion would be reduced by placement of non-expansive engineered fill below foundation slabs, or other measures as recommended by the geotechnical engineer.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

As part of the mitigation for this impact, geotechnical investigations will be completed prior to the approval of building permits for specific buildings, and the Public Works Department and Building Division will ensure that these buildings are designed in conformance with the geotechnical report's recommendations to reduce this potential hazard. These facts support the City's finding.

F. SOIL CORROSIVITY

1. **Impact:** The corrosion potential of the on-site soils could result in damage to buried utilities and foundation systems. (Significant Impact)
2. **Mitigation:** The potential damage from soil corrosivity can be mitigated by using corrosion-resistant materials for buried utilities and systems; specific measures shall be specified by an engineering geologist as appropriate in response to localized conditions.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

As part of the mitigation for this impact, geotechnical investigations will be completed prior to the City's approval specific buried utilities and foundation systems for buildings, and these features will be designed in conformance with the geotechnical report's recommendations to reduce this potential hazard. These facts support the City's finding.

III. HYDROLOGY AND WATER QUALITY

A. EROSION AND SEDIMENTATION DURING CONSTRUCTION

1. **Impact:** During grading and construction, erosion of exposed soils and pollutants from equipment may result in water quality impacts to downstream water bodies. (Significant Impact)
2. **Mitigation:** A comprehensive erosion control and water pollution prevention program shall be implemented during grading and construction. Typical measures required by the City of Lodi to be implemented during the grading and construction phase include the following:
 - Schedule earthwork to occur primarily during the dry season to prevent most runoff erosion.
 - Stabilize exposed soils by the end of October in any given year by revegetating disturbed areas or applying hydromulch with tetra-foam or other adhesive material.
 - Convey runoff from areas of exposed soils to temporary siltation basins to provide for settling of eroded sediments.
 - Protect drainages and storm drain inlets from sedimentation with berms or filtration barriers, such as filter fabric fences or rock bags or filter screens.
 - Apply water to exposed soils and on-site dirt roads regularly during the dry season to prevent wind erosion.
 - Stabilize stockpiles of topsoil and fill material by watering daily, or by the use of chemical agents.
 - Install gravel construction entrances to reduce tracking of sediment onto adjoining streets.
 - Sweep on-site paved surfaces and surrounding streets regularly with a wet sweeper to collect sediment before it is washed into the storm drains or channels.
 - Store all construction equipment and material in designated areas away from waterways and storm drain inlets. Surround construction staging areas with earthen berms or dikes.
 - Wash and maintain equipment and vehicles in a separate bermed area, with runoff directed to a lined retention basin.
 - Collect construction waste daily and deposit in covered dumpsters.
 - After construction is completed, clean all drainage culverts of accumulated sediment and debris.

The project also is required to comply with NPDES permit requirements, file a Notice of Intent with the Regional Water Quality Control Board and prepare a Storm Water Pollution Prevention Plan.

3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The above mitigation measures are derived from Best Management Practices (BMPs) recommended by the Regional Water Quality Control Board, and are to be included in the Storm Water Pollution Prevention Plan (SWPPP) to be prepared and implemented by the project proponent in conformance with the state's General Permit for Discharges of Storm Water Associated with Construction Activity. In addition, the project grading plans will conform to the drainage and erosion control standards of the City of Lodi, and will be incorporated into the project Improvement Plans to be approved by the City. Implementation of the erosion control measures will be monitored and enforced by City grading inspectors. These facts support the City's finding.

B. WATER QUALITY IMPACTS FROM NON-POINT POLLUTANTS

1. **Impact:** The project would generate urban nonpoint contaminants which may be carried in stormwater runoff from paved surfaces to downstream water bodies. (Significant Impact)
2. **Mitigation:** The project shall include stormwater controls to reduce nonpoint source pollutant loads.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

In January 2003, the City adopted a *Stormwater Management Plan (SMP)* to implement the provisions of its Phase II NPDES stormwater permit issued by the State Water Resources Control Board. The SMP contains a comprehensive program for the reduction of surface water pollution. The project includes feasible structural BMPs (Best Management Practices) such as vegetated swales and a stormwater basin. Much of the stormwater runoff generated in the northern and southern portions of the site will be conveyed to vegetated swales or bioswales which will provide partial filtering of pollutants and sediments. This partially treated runoff, along with all other parking lot and roof runoff from the project will be conveyed to the 3.65-acre stormwater basin planned adjacent to the southwest corner of the site. The basin would serve as a settling pond where suspended sediments and urban pollutants would settle out prior to discharge of the collected stormwater into the City's storm drain system, thereby reducing potential surface water quality impacts to drainages and water bodies. The pump intake for the basin will be located two feet above the bottom to provide for accumulation of sediments which would be cleaned out on a regular basis.

Non-structural BMPs typically required by the City include the implementation of regular maintenance activities (e.g., damp sweeping of paved areas; inspection and cleaning of storm drain inlets; litter control) at the site to prevent soil, grease, and litter from accumulating on the project site and contaminating surface runoff. Stormwater catch basins will be required to be stenciled to discourage illegal dumping. In the landscaped areas, chemicals and irrigation water will be required to be applied at rates specified by the project landscape architect to minimize potential for contaminated runoff. Additional BMPs, as identified from a set of model practices developed by the state, may be required as appropriate at the time of Improvement Plan approval. These facts support the City's finding.

IV. BIOLOGICAL RESOURCES

A. LOSS OF HABITAT FOR SPECIAL-STATUS SPECIES

1. **Impact:** The project would result in the loss of approximately 40 acres of foraging habitat for three protected bird species, and could result in the loss of breeding habitat for two protected bird species. (Significant Impact)
2. **Mitigation:** In accordance with the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) and City of Lodi requirements, the project proponent will pay the applicable in-lieu mitigation fees to compensate for loss of open space and habitat resulting from development of the project site, and will ensure the completion of preconstruction surveys for Swainson's hawks, burrowing owls, and California horned larks, as well as the implementation of specified measures if any of these species are found on the site.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The in-lieu mitigation fees prescribed under the SJMSCP vary depending on the location of the site, its designation under the SJMSCP, and annual adjustments. The project site is covered by two designations or pay zones under the SJMSCP. The 20.5-acre eastern portion of the shopping center site, is designated "Multi-Purpose Open Space Lands," where in-lieu fees are currently \$862 per acre (2004). The 19.5-acre western portion of the site, which includes the proposed stormwater basin, is designated "Agricultural Habitat and Natural Lands," where in-lieu fees are currently \$1,724 per acre (2004). The compliance with the provisions of the SJMSCP, along with the prescribed preconstruction surveys and any required follow-up measures prescribed at that time, would fully mitigate the small reduction in foraging habitat resulting from development of the project site. These facts support the City's finding.

B. IMPACTS TO BURROWING OWLS AND RAPTORS

1. **Impact:** The project could adversely affect any burrowing owls that may occupy the site prior to construction, and could also adversely affect any tree-nesting raptor that may establish nests in trees along the project boundaries prior to construction. (Significant Impact)

2. **Mitigation:** The following measures shall be implemented to ensure that raptors (hawks and owls) are not disturbed during the breeding season:
- If ground disturbance is to occur during the breeding season (February 1 to August 31), a qualified ornithologist shall conduct a pre-construction survey for nesting raptors (including both tree- and ground-nesting raptors) on site within 30 days of the onset of ground disturbance. These surveys will be based on the accepted protocols (e.g., as for the burrowing owl) for the target species. If a nesting raptor is detected, then the ornithologist will, in consultation with CDFG, determine an appropriate disturbance-free zone (usually a minimum of 250 feet) around the tree that contains the nest or the burrow in which the owl is nesting. The actual size of the buffer would depend on species, topography, and type of construction activity that would occur in the vicinity of the nest. The setback area must be temporarily fenced, and construction equipment and workers shall not enter the enclosed setback area until the conclusion of the breeding season. Once the raptor abandons its nest and all young have fledged, construction can begin within the boundaries of the buffer.
 - If ground disturbance is to occur during the non-breeding season (September 1 to January 31), a qualified ornithologist will conduct pre-construction surveys for burrowing owls only. (Pre-construction surveys during the non-breeding season are not necessary for tree nesting raptors since these species would be expected to abandon their nests voluntarily during construction.) If burrowing owls are detected during the non-breeding season, they can be passively relocated by placing one-way doors in the burrows and leaving them in place for a minimum of three days. Once it has been determined that owls have vacated the site, the burrows can be collapsed and ground disturbance can proceed.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

While none of these species are currently on the project site, this mitigation measure is included as a contingency to be implemented in the event nesting occurs prior to construction. As specified in the Mitigation Monitoring and Reporting Program attached to this document, the Community Development Director will ensure that the pre-construction surveys are undertaken and that a report of the survey findings is submitted to the City prior to the approval of the project Improvement Plans. If any of the species are found on-site during the surveys, the Public Works Director will ensure that the required setback zones are established. No grading or construction in the vicinity of the nests would be permitted until the project biologist is satisfied that impacts to the species are mitigated or avoided. Relocation of burrowing owls would be allowed to occur only under the direction of the California Department of Fish and Game. These facts support the City's finding.

V. CULTURAL RESOURCES

A. IMPACTS TO CULTURAL RESOURCES

1. **Impact:** It is possible that previously undiscovered cultural materials may be buried on the site which could be adversely affected by grading and construction for the project. (Significant Impact)
2. **Mitigation:** Implementation of the following measures will mitigate any potential impacts to cultural resources:
 - In the event that prehistoric or historic archaeological materials are exposed or discovered during site clearing, grading or subsurface construction, work within a 25-foot radius of the find shall be halted and a qualified professional archaeologist contacted for further review and recommendations. Potential recommendations could include evaluation, collection, recordation, and analysis of any significant cultural materials followed by a professional report.
 - In the event that fossils are exposed during site clearing, grading or subsurface construction, work within a 25-foot radius of the find shall be halted and a qualified professional paleontologist contacted for further review and recommendations. Potential recommendations could include evaluation, collection, recordation, and analysis of any significant paleontological materials followed by a professional report.
 - If human remains are discovered, the San Joaquin County Coroner shall be notified. The Coroner would determine whether or not the remains are Native American. If the Coroner determines that the remains are not subject to his authority, he will notify the Native American Heritage Commission, who would identify a most likely descendant to make recommendations to the land owner for dealing with the human remains and any associated grave goods, as provided in Public Resources Code Section 5097.98.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

While the detailed site reconnaissance by Basin Research Associates indicated that there is no evidence to suggest that cultural resources may be buried on site, the mitigation measure is a standard contingency that is applied in all but the least archaeologically sensitive areas. In the unlikely event artifacts are encountered during grading or excavation, the Public Works Director will enforce any required work stoppages, and the Community Development Director will contact the project archaeologist and will ensure that the archaeologist's recommendations are implemented. These facts support the City's finding.

VI. TRAFFIC AND CIRCULATION

A. NEAR TERM PLUS PROJECT UNSIGNALIZED INTERSECTION OPERATIONS

1. **Impact:** The addition of project-generated traffic would exacerbate LOS F operations at the intersection of Lower Sacramento Road / Harney Lane during both a.m. and p.m. peak hour conditions. (Significant Impact)
2. **Mitigation:** The project shall contribute its fair share cost to the installation of a traffic signal at Lower Sacramento Road and Harney Lane.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates calculated that with the above mitigation in place, the level of service at the affected intersection would rise to Level of Service C and thus meet the service standards of the City of Lodi. These facts support the City's finding.

B. CUMULATIVE PLUS PROJECT ACCESS CONDITIONS AT SIGNALIZED ACCESS DRIVE PROPOSED ALONG LOWER SACRAMENTO ROAD FRONTAGE

1. **Impact:** During the p.m. peak hour, the eastbound left-turn queue length of 250 feet (average queue) to 375 feet (95th Percentile queue) of exiting vehicles would extend west to the internal intersection located south of Pad 10. (Significant Impact)
2. **Mitigation:** Modify the project site plan to provide dual eastbound left-turn movements out of the project site onto northbound Lower Sacramento Road, consisting of a 150-foot left-turn pocket and a full travel lane back to the internal project site intersection. In the eastbound direction, a left-turn pocket and a full travel lane back to the signalized intersection will provide adequate capacity for inbound traffic. In addition, STOP signs shall be installed on all approaches at the on-site intersections adjacent to Pads 10 and 11, except the westbound approaches to provide continuous traffic flow into the project site and eliminate the potential for backups onto Lower Sacramento Road. On the Food 4 Less approach, a 100-foot left-turn pocket will be provided at the signalized intersection.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigations in place, the potential for traffic conflicts at this intersection would be eliminated. These facts support the City's finding.

C. CUMULATIVE PLUS PROJECT ACCESS CONDITIONS AT NORTHERN UNSIGNALIZED ACCESS DRIVE PROPOSED ALONG LOWER SACRAMENTO ROAD

1. **Impact:** The addition of a northbound left-turn lane under Access Alternative B would result in Level of Service F conditions at this unsignalized intersection. (This condition does not occur under Access Alternative A where no northbound left-turn movement would occur.) In addition, a non-standard 60-foot back-to-back taper is provided between the northbound left-turn lane (Alternative B) at the northern unsignalized access drive and the southbound left-turn lane at the signalized project entrance. (Significant Impact)
2. **Mitigation:** The following mitigations shall be implemented:
 - a. Extend a third southbound travel lane on Lower Sacramento Road from its current planned terminus at the signalized project driveway to the southern boundary of the project site;
 - b. Construct a 100-foot southbound right-turn lane at the signalized project driveway;
 - c. Extend the southbound left-turn pocket by 100 feet;
 - d. Extend the taper from 60 feet to a City standard 120-foot taper;
 - e. Eliminate the northbound left-turn lane into the northern driveway.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigations in place, the potential for traffic conflicts at this intersection would be eliminated. These facts support the City's finding.

D. INADEQUATE LEFT-TURN LANE TAPER ON WESTGATE DRIVE

1. **Impact:** On Westgate Drive, a non-City standard 64-foot back-to-back taper is proposed between the northbound left-turn lane at W. Kettleman Lane and the southbound left-turn lane at the northern project driveway. (Significant Impact)
2. **Mitigation:** The project site plan shall be modified to move the north project driveway on Westgate Drive south by 25 feet in order to accommodate the required 90-foot taper length.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigation in place, the potential for traffic conflicts arising from inadequate queuing capacity on Westgate Drive would be eliminated. These facts support the City's finding.

E. INADEQUATE LEFT-TURN LANE TAPER ON LOWER SACRAMENTO ROAD

1. **Impact:** On Lower Sacramento Road, a non-City standard 70-foot back-to-back taper is proposed between the dual northbound left-turn lanes at W. Kettleman Lane and the southbound left-turn lane at the middle Food 4 Less Driveway. (Significant Impact)
2. **Mitigation:** The project site plan shall be modified to extend the northbound left-turn pocket to 250 feet, and to extend the taper from 70 feet to a City standard 120-foot taper.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

While the traffic report by Fehr & Peers indicated that mitigation for this impact would need to be achieved through closure of the southbound left-turn lane at the middle Food 4 Less Driveway, the applicant instead proposes to provide additional roadway right-of-way along the project frontage on Lower Sacramento Road to accommodate side-by-side left-turn lanes (instead of the back-to-back turn pockets as originally proposed). This would allow the mitigation to be implemented as specified while also maintaining the existing southbound left turn. Fehr & Peers Associates has reviewed the proposed roadway configuration and concurs that it would serve as adequate mitigation for the deficiencies noted in the EIR traffic impact report. Therefore, Fehr & Peers Associates concludes that with the above mitigation in place, the potential for traffic conflicts at this intersection would be eliminated. These facts support the City's finding.

F. PUBLIC TRANSIT SERVICE

1. **Impact:** Development of the project would create a demand for increased public transit service above that which is currently provided or planned. (Significant Impact)
2. **Mitigation:** The project applicant shall work with and provide fair share funding to the City of Lodi Grapeline Service and the San Joaquin Regional Transit District to expand transit service to the project.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigation in place, the additional demand for transit service generated by the project would not exceed the capacity of the transit system. These facts support the City's finding.

G. PUBLIC TRANSIT STOP

1. **Impact:** Development of the project would create an unmet demand for public transit service which would not be met by the single transit stop proposed for the northwest portion of the project. (Significant Impact)
2. **Mitigation:** Modify the project site plan to: 1) provide a bus bay and passenger shelter at the proposed transit stop; and 2) include a second transit stop and passenger shelter in the eastern portion of the project near Lower Sacramento Road.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigations in place, the transit service to the site would be adequate to meet ridership demand and would be provided in a manner which is convenient to transit riders, and which avoids traffic and circulation conflicts or congestion. These facts support the City's finding.

H. PEDESTRIAN FACILITIES

1. **Impact:** Development of the project would create an unmet demand for pedestrian facilities along West Kettleman Lane, Lower Sacramento Road and Westgate Drive, and internally between the different areas of the project site. (Significant Impact)
2. **Mitigation:** Pedestrian walkways and crosswalks shall be provided to serve Pads 8, 9, and 12 in order to complete the internal pedestrian circulation system.
3. **Finding:** The above feasible mitigation measure, which has been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

The traffic report prepared by Fehr & Peers Associates indicates that with the above mitigations in place, the pedestrian facilities provided in the project would be adequate to meet demand and provide for safe pedestrian movement throughout the project. These facts support the City's finding.

VII. NOISE

A. NOISE FROM PROJECT ACTIVITY

1. **Impact:** Noise generated by activity associated with the project would elevate off-site noise levels at existing and future residences in the vicinity. (Significant Impact)
2. **Mitigation:** The following noise mitigations are identified as appropriate for the various types of project activities, to reduce project noise at both existing and planned future adjacent development:

Rooftop Mechanical Equipment. To ensure that the potential noise impact of mechanical equipment is reduced to less-than-significant levels, the applicant shall submit engineering and acoustical specifications for project mechanical equipment, for review prior to issuance of building permits for each retail building, demonstrating that the equipment design (types, location, enclosure specifications), combined with any parapets and/or screen walls, will not result in noise levels exceeding 45 dBA (L_{eq} -hour) for any residential yards.

Parking Lot Cleaning. To assure compliance with the City of Lodi Noise Regulations regarding occasional excessive noise, leaf blowing in the southeast corner of the project site shall be limited to operating during the hours of 7:00 a.m. to 10:00 p.m.

3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

The City of Lodi Building Official will require demonstration of compliance with noise specifications for rooftop mechanical equipment in conjunction with each individual building permit required for the project. The enforcement of the City Noise Regulations with respect to leaf blower noise will be the responsibility of the Community Development Director, who may enforce the noise restrictions with or without a citizen complaint from a nearby resident. These facts support the City's finding.

B. NOISE FROM STORMWATER BASIN PUMP

1. **Impact:** Occasional pumping of water from the stormwater basin would generate noise at the planned future residential areas to the south and west of the basin. (Significant Impact)
2. **Mitigation:** The following measures shall be implemented to mitigate potential noise generated by the stormwater basin pump:
 - 1) The pump shall be located as far as is feasible from the nearest future planned residential development. In addition, the pump facility shall be designed so that noise levels do not exceed 45 dBA at the nearest residential property lines. The pump may need to be enclosed to meet this noise level. Plans and specifications for the pump facility shall be included in the Improvement Plans for the project and reviewed for compliance with this noise criterion.
 - 2) In order to avoid creating a noise nuisance during nighttime hours, pump operations shall be restricted to the hours of 7 a.m. to 10 p.m., except under emergency conditions (e.g., when the basin needs to be emptied immediately to accommodate flows from an imminent storm).

3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

The City of Lodi Public Works Director will require demonstration of compliance with noise specifications for the basin pump in conjunction with the Improvement Plans for the project. The enforcement of the City Noise Regulations with respect to the hours of pump operation will be the responsibility of the Community Development Director, who may enforce the noise restrictions with or without a citizen complaint from a nearby resident. These facts support the City's finding.

C. CONSTRUCTION NOISE

1. **Impact:** Noise levels would be temporarily elevated during grading and construction. (Significant Impact)
2. **Mitigation:** Short-term construction noise impacts shall be reduced through implementation of the following measures:

Construction Scheduling. The applicant/contractor shall limit noise-generating construction activities to daytime, weekday, (non-holiday) hours of 7:00 a.m. to 6:00 p.m.

Construction Equipment Mufflers and Maintenance. The applicant/contractor shall properly muffle and maintain all construction equipment powered by internal combustion engines.

Idling Prohibitions. The applicant/contractor shall prohibit unnecessary idling of internal combustion engines.

Equipment Location and Shielding. The applicant/contractor shall locate all stationary noise-generating construction equipment such as air compressors as far as practicable from existing nearby residences. Acoustically shield such equipment as required to achieve continuous noise levels of 55 dBA or lower at the property line.

Quiet Equipment Selection. The applicant/contractor shall select quiet construction equipment, particularly air compressors, whenever possible. Fit motorized equipment with proper mufflers in good working order.

Notification. The applicant/contractor shall notify neighbors located adjacent to, and across the major roadways from, the project site of the construction schedule in writing.

Noise Disturbance Coordinator. The applicant/contractor shall designate a "noise disturbance coordinator" who would be responsible for responding to any local complaints about construction noise. The disturbance coordinator would notify the City, determine the cause of the noise complaints (e.g., starting too early, bad muffler, etc.) and would institute reasonable measures

to correct the problem. Applicant/contractor shall conspicuously post a telephone number for the disturbance coordinator at the construction site, and include it in the notice sent to neighboring property owners regarding construction schedule. All complaints and remedial actions shall be reported to the City of Lodi by the noise disturbance coordinator.

3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

Each phase of grading and construction will be required to implement the above noise control measures and other measures which may be required by the City of Lodi. The construction noise control measures will be required to be included as part of the General Notes on the project Improvement Plans, which must be approved by the City Public Works Department prior to commencement of grading. Although there are noise sensitive uses such as residential neighborhoods in the vicinity of the project site, most existing dwellings would be at least 200 feet away from the nearest grading and construction activity. This distance separation from the noise sources and the effective implementation of the above mitigation measures by the contractors, as monitored and enforced by City Public Works Department and Building Division, would reduce the noise levels from this temporary source to acceptable levels. These facts support the City's finding.

VIII. AIR QUALITY

A. CONSTRUCTION EMISSIONS

1. **Impact:** Construction and grading for the project would generate dust and exhaust emissions that could adversely affect local and regional air quality. (Significant Impact)
2. **Mitigation:** Dust control measures, in addition to those described in the FEIR, shall be implemented to reduce PM₁₀ emissions during grading and construction, as required by the City of Lodi and the San Joaquin Valley Air Pollution Control District (Air District).
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

Each phase of grading and construction will be required to implement the dust control measures specified in the San Joaquin Valley Air Pollution Control District's Regulation VIII, as well as additional practices itemized in the FEIR and as otherwise required by the City of Lodi. The dust control measures will be required to be included as part of the General Notes on the project Improvement Plans, which must be approved by the City Public Works Department prior to

commencement of grading. The Public Works Department will monitor and enforce the dust suppression requirements as part of their site inspection duties. Violations of the requirements of Regulation VIII are also subject to enforcement action by the Air District. Violations are indicated by the generation of visible dust clouds and/or generation of complaints. These facts support the City's finding.

B. REGIONAL AIR QUALITY

1. **Impact:** Emissions from project-generated traffic would result in air pollutant emissions affecting the entire air basin. (Significant Impact)
2. **Mitigation:** Project design measures shall be implemented to reduce project area source emissions, and a Transportation Demand Management (TDM) plan should be implemented to reduce project traffic and resulting air emissions, including those measures described in the FEIR; however, these measures would not reduce the impact to a less-than-significant level.
3. **Finding:** While the implementation of specified design measures and a TDM plan in conjunction with the project would reduce the level of the air quality impact, the impact would not be reduced to less-than-significant level. Therefore, the impact is significant and unavoidable.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

Due to the large size of the project and the very low thresholds for significance established by the Air District for the emission of Reactive Organic Gases, Nitrogen Oxides, and fine Particulate Matter, the air quality report by Donald Ballanti concluded that the project would exceed the significance thresholds established for these pollutants. In addition, large commercial shopping centers attract high volumes of personal vehicles, and transportation alternatives such as public transit, carpooling, and bicycling have limited effectiveness in reducing automobile traffic generated by this type of project. Thus, although the City will require the implementation of selected Transportation Demand Management measures, as appropriate, it is estimated by Donald Ballanti that such measures would reduce project-generated traffic by no more than five percent. The small reduction in associated emissions would not reduce overall regional air quality impacts to less-than-significant levels. These facts support the City's finding.

5. **Statement of Overriding Considerations:** The following is a summary of the benefits that the City Council has found to outweigh the significant unavoidable impacts of the project, the full discussion of which can be found in the "Statement of Overriding Considerations" at the end of this document. The project is expected to provide substantial revenues for the City of Lodi General Fund through increased sales tax and property tax, and will generate employment opportunities for City residents. The project will implement vital municipal infrastructure improvements in the project vicinity, and impact fees paid by the project will help fund public services throughout the City of Lodi. The project will implement adopted City plans and policies by accomplishing the City of Lodi long-term development plans for commercial use at the project site. The project will reflect a high quality of design, through the on-site implementation of the City's recently adopted Design Guidelines for Large Commercial Establishments, which will be particularly important at this visually prominent western gateway into the City.

C. RESTAURANT ODORS

1. **Impact:** The restaurant uses in the project could release cooking exhausts which could result in noticeable odors beyond project boundaries. (Significant Impact)
2. **Mitigation:** All restaurant uses within the project shall locate kitchen exhaust vents in accordance with accepted engineering practice and shall install exhaust filtration systems or other accepted methods of odor reduction.
3. **Finding:** The above feasible mitigation measures, which have been required in, or incorporated into, the project, will avoid or substantially lessen the significant environmental impact described above to a less-than-significant level.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact will be reduced to a less-than-significant level.

While the nature and location of restaurants within the project has not been determined, this mitigation requirement will ensure that cooking odors from any on-site restaurants will not result in annoyance or nuisance conditions. The Building Official will ensure that the required equipment is included on the plans, and will ensure that the equipment is properly installed and functioning. These facts support the City's finding.

IX. CUMULATIVE IMPACTS

A. AGRICULTURAL LAND CONVERSION

1. **Impact:** The conversion of prime agricultural land at the project site, combined with the agricultural conversion associated with other foreseeable projects in the area, would result in a cumulatively substantial impact to agricultural resources. (Significant Impact)
2. **Mitigation:** No feasible mitigation is available.
3. **Finding:** As with the project-specific agricultural impacts, there is no feasible mitigation measure available that would reduce or avoid the significant cumulative loss of agricultural land resulting from development of the proposed project and other foreseeable projects in the area. Specific economic, legal, social, technological or other considerations make mitigation of this impact infeasible. In particular, mitigation is infeasible because it is not possible to re-create prime farmland on other lands that do not consist of prime agricultural soils. This impact therefore remains significant and unavoidable.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

As discussed in the Draft EIR and Final EIR, there are no feasible measures that would reduce the impact of loss of prime agricultural land to a less-than-significant level. Although impacts to prime farmland cannot be feasibly mitigated to less-than-significant levels, the City has in fact minimized and substantially lessened the significant effects of development on prime

agricultural land through the policies of its adopted General Plan. A principal purpose of the City's General Plan regulatory scheme is to minimize the impact on prime agricultural land resulting from the City's urban expansion. The City of Lodi is recognized for its compact growth pattern and clearly defined urban boundaries, its emphasis on infill development, and its deliberate and considered approach to urban expansion to accommodate housing and other long-term development needs. These guiding principles serve to minimize and forestall conversion of agricultural lands within the City's growth boundaries.

The General Plan policies related to agricultural preservation and protection are intended, and have been successful, in maintaining the productivity of prime agricultural land surrounding the City by controlling urban expansion in a manner which has the least impact on prime agricultural lands. In addition to maintaining compact and defined urban growth boundaries, this is primarily accomplished through the City's Growth Management Plan for Residential Development, which limits housing development to a growth rate of two percent per year, and which gives priority to proposed residential developments with the least impact on agricultural land, in accordance with General Plan policy.

The General Plan implementation program includes a directive to "identify and designate an agricultural and open space greenbelt around the urbanized area of the City" (Land Use and Growth Management Implementation Program 10). This buffer zone is intended to provide a well-defined edge to the urban area, and to minimize conflicts at the urban-agricultural interface by providing a transition zone separating urban from agricultural uses, and to remove uncertainty for agricultural operations near the urban fringe. The implementation of the greenbelt will involve the dedication of setback zones of varying widths between the edge of development and adjacent agricultural land. The City of Lodi has initiated the creation of the greenbelt through the Westside Facilities Master Plan, which encompasses the largely undeveloped lands adjacent to the northwest portion of the City and extends westward approximately one-half mile west of Lower Sacramento Road. The designated greenbelt is located along the western edge of the Master Plan area and varies in width from 200 feet to approximately 350 feet. The greenbelt will perform an important function in minimizing urban-agricultural conflicts and promote the preservation of prime agricultural land west of the greenbelt; however, it will not constitute mitigation for loss of farmland since it cannot itself be farmed. In addition, the City is continuing to study the implementation of a greenbelt area between Stockton and Lodi, and is committed to the implementation of such a greenbelt.

It has been suggested that the purchase of conservation easements on, or fee title to, agricultural land, or the payment of in-lieu fees for such purpose, be required as mitigation for loss of prime agricultural lands. However, conservation easements or other techniques used to protect existing agricultural lands do not create new equivalent agricultural lands which would compensate for the conversion of the subject lands to urban uses. In other words, the easements apply to agricultural land that already physically exists, so "preserving" such land from future conversion, which may or may not occur, does nothing to compensate for the reduction in the overall supply of farmland. Therefore, such easements do not provide true mitigation for the loss of a particular parcel of agricultural land, and as such cannot be considered as mitigation for agricultural conversions due to development projects. This is not to say that the preservation of prime farmland is not a laudable goal, only that CEQA is not the proper mechanism for achieving this goal.

In summary, the City of Lodi makes an extensive effort to avoid the loss of prime farmland through its careful planning of urban areas within its boundaries. Nevertheless, the City recognizes that there is no feasible mitigation available to reduce this impact to a less-than-significant level on a project-specific or cumulative basis and, therefore, the impact remains cumulatively significant and unavoidable. These facts support the City's finding.

5. **Statement of Overriding Considerations:** The following is a summary of the benefits that the City Council has found to outweigh the significant unavoidable impacts of the project, the full discussion of which can be found in the "Statement of Overriding Considerations" at the end of this document. The project is expected to provide substantial revenues for the City of Lodi General Fund through increased sales tax and property tax, and will generate employment opportunities for Lodi residents. The project will implement vital municipal infrastructure improvements in the project vicinity, and impact fees paid by the project will help fund public services throughout the City of Lodi. The project will implement adopted City plans and policies by accomplishing the City of Lodi's long-term development plans for commercial use at the project site, consistent with the City's growth control measures prioritizing in-fill development within the existing City boundaries. The project will reflect a high quality of design, through the on-site implementation of the City's recently adopted Design Guidelines for Large Commercial Establishments, which will be particularly important at this visually prominent western gateway into the City.

B. REGIONAL AIR QUALITY IMPACTS

1. **Impact:** Emissions from project-generated traffic, combined with the emissions of other foreseeable projects in the area, would result in air pollutant emissions affecting the entire air basin. (Significant Cumulative Impact)
2. **Mitigation:** For the proposed project, design measures shall be implemented to reduce project area source emissions, and a Transportation Demand Management (TDM) plan should be implemented to reduce project traffic and resulting air emissions. However, these measures would not reduce the impact to a less-than-significant level, either on a project-specific basis or on a cumulative basis.
3. **Finding:** While the implementation of specified design measures and a TDM plan in conjunction with the project would reduce the level of the air quality impact, the impact would not be reduced to less-than-significant level. This impact would be exacerbated by emissions from other foreseeable projects in the area. Therefore, the cumulative impact is significant and unavoidable.
4. **Facts in Support of Finding:** The following facts indicate that the identified impact is significant and unavoidable.

Due to the large size of the project and the very low thresholds for significance established by the Air District for the emission of Reactive Organic Gases, Nitrogen Oxides, and fine Particulate Matter, the air quality report by Donald Ballanti concluded that the project would far exceed the significance thresholds established for these pollutants. In addition, large commercial shopping centers attract high volumes of personal vehicles, and transportation alternatives such as public transit, carpooling, and bicycling have limited effectiveness in reducing

automobile traffic generated by this type of project. Thus, although the City will require the implementation of selected Transportation Demand Management measures, as appropriate, it is estimated by Donald Ballanti that such measures would reduce project-generated traffic by no more than five percent. The small reduction in associated emissions would not reduce overall regional air quality impacts resulting from the proposed project to less-than-significant levels. Other foreseeable projects in the area may be more suitable for the implementation of TDM measures to reduce emissions on an individual project basis; however, the cumulative impact would not be reduced to a less-than-significant level. These facts support the City's finding.

5. **Statement of Overriding Considerations:** The following is a summary of the benefits that the City Council has found to outweigh the significant unavoidable impacts of the project, the full discussion of which can be found in the "Statement of Overriding Considerations" at the end of this document. The project is expected to provide substantial revenues for the City of Lodi General Fund through increased sales tax and property tax, and will generate employment opportunities for City residents. The project will implement vital municipal infrastructure improvements in the project vicinity, and impact fees paid by the project will help fund public services throughout the City of Lodi. The project will implement adopted City plans and policies by accomplishing the City of Lodi's long-term development plans for commercial use at the project site, consistent with City's growth control measures prioritizing in-fill development within the existing City boundaries. The project will reflect a high quality of design, through the on-site implementation of the City's recently adopted Design Guidelines for Large Commercial Establishments, which will be particularly important at this visually prominent western gateway into the City.

FINDINGS CONCERNING ALTERNATIVES

Under CEQA, an EIR must describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. Even if a project alternative will avoid or substantially lessen any of the significant environmental effects of the project, the decision-makers may reject the alternative if they determine that specific considerations make the alternative infeasible. The findings with respect to the alternatives identified in the Final EIR are described below.

I. NO PROJECT ALTERNATIVE

- A. **Description of the Alternative:** The No Project alternative consists of not building on the project site and possibly resuming agricultural cultivation of the property for oats, hay, or row crops.
- B. **Comparison to the Project:** The No Project alternative would avoid some of the significant unmitigable effects of the proposed project, such as conversion of prime farmland and regional air quality impacts. For all other areas of concern, the differences in impacts between the No Project alternative and the proposed project would not be significant because the project impacts could be reduced to less-than-significant levels through feasible mitigation measures. On balance, the No Project alternative would be superior to the proposed project because it would not result in the significant unavoidable impacts to agricultural resources and air quality which are associated with the proposed project, and because it would result in little or no impact in the other impact categories.

- C. **Finding:** This alternative is hereby rejected for the reasons set forth below.

The substantial revenues for the City of Lodi General Fund through increased sales tax and property tax that would be generated by the project would be lost, as would the employment opportunities for City residents created by the project. The vital municipal infrastructure improvements that would be constructed by the project would be foregone, as would the impact fees paid by the project which would help fund vital public services throughout the City of Lodi. Unlike the proposed project, the No Project alternative would not implement adopted City plans and policies by accomplishing the City of Lodi long-term development plans for commercial use at the project site, consistent with City's growth control measures prioritizing in-fill development within the existing City boundaries. The No Project alternative also would not implement the high quality of design reflected in the proposed project for this visually prominent western gateway into the City.

II. REDUCED PROJECT SIZE ALTERNATIVE

- A. **Description of the Alternative:** This alternative would consist of a substantially reduced project site of approximately 24 acres, including about 22 gross acres for retail development and 2 acres for the stormwater basin. This would represent approximately 60 percent of the proposed project size of 40 acres. This alternative would include the Wal-Mart Supercenter, as proposed, but would not include any of the ancillary retail pads proposed in the project.
- B. **Comparison to the Project:** The Reduced Project Size alternative would result in a slight reduction in the levels of impact associated with the proposed project in several topic areas, although these impacts would be mitigated to less-than-significant levels under the proposed project. For the two significant and unavoidable impacts associated with the proposed project – impacts to agricultural resources and regional air quality – the Reduced Project Size alternative would lessen these impacts but would not avoid them or reduce them to less-than-significant levels. Thus, although the Reduced Project Size alternative would be slightly superior to the proposed project, it would not achieve the CEQA objective of avoiding the significant impacts associated with the project.

- C. **Finding:** This alternative is hereby rejected for the reasons set forth below.

The revenues for the City of Lodi General Fund that would be generated by the project would be substantially reduced, as would the number of employment opportunities for City residents created by the project. This alternative would not complete the vital municipal infrastructure improvements that would be constructed by the project, and would substantially reduce the impact fees paid by the project to help fund vital public services throughout the City of Lodi. This alternative would lessen the City's ability to implement adopted City plans and policies for accomplishing long-term development plans for commercial use at the project site. This alternative would also compromise the City's ability to implement the high quality of design reflected in the proposed project for this visually prominent western gateway into the City.

III. ALTERNATIVE PROJECT LOCATION

- A. **Description of the Alternative:** An alternative project site was identified in the unincorporated area of San Joaquin County known as Flag City, consisting of

approximately 36 gross acres in the northeast quadrant of Highway 12 and Thornton Road, just east of I-5. To allow direct comparison, it was assumed that a 36-acre portion of the lands at this location would be developed with roughly the same land use configuration and intensity as the proposed project.

- B. **Comparison to the Project:** The impacts associated with development of the Flag City site would be somewhat greater than for the proposed project site. Although the impacts for many categories would be similar for both project locations, development of the Flag City site would result in negative effects in terms of land use policy, and the resulting potential for growth inducement, which would not occur with the proposed project site. Traffic impacts would be greater for the Flag City site, as would impacts to utilities and public services, although these impacts would be less than significant or could be fully mitigated. More importantly, the alternative project site would result in the same significant and unavoidable impacts to agricultural resources and air quality as are associated with the proposed project. Therefore, the alternative site would not lessen or avoid the significant and unavoidable impacts of the project.
- C. **Finding:** This alternative is hereby rejected for the reasons set forth below.

The alternative project site is not environmentally superior to the proposed project site. In addition, due to its location outside the City of Lodi, the alternative site would not provide the benefits associated with the proposed project including increased municipal revenues and impact fees for providing services, creation of employment opportunities for City residents, construction of vital municipal infrastructure improvements, and the opportunity to implement City goals and policies with respect to the commercial development of the project site (consistent with City's growth control measures prioritizing in-fill development within the existing City boundaries), and the chance to provide a high quality development at the western gateway to the City.

ENVIRONMENTALLY SUPERIOR ALTERNATIVE

Of the three project alternatives considered, only the No Project alternative would avoid or substantially lessen the significant impacts of the project. The significant and unavoidable impacts to agricultural resources and air quality associated with the proposed project would both be avoided by the No Project alternative. Since all other project impacts are either less than significant or can be reduced to less-than-significant levels through the implementation of feasible mitigation measures, the No Project alternative would not offer substantial reductions in impact levels under the other impact categories. Therefore, the No Project alternative would represent the environmentally superior alternative to the proposed project. The No Project alternative was not selected because it would not meet the applicant's objective of developing the site for shopping center uses; nor would it meet the City's goals of enhancing its revenue base, creating jobs, providing vital municipal infrastructure, and implementing the City's policy objective of developing the site with commercial retail uses.

The CEQA Guidelines, at Section 15126.6(e)(2), require that if the environmentally superior alternative is the No Project alternative, the EIR shall also identify an environmentally superior alternative from among the other alternatives. The Reduced Project Size alternative was found to result in the same significant and unavoidable impacts to agricultural resources and air quality as the proposed project. However, it would result in slightly lower levels of impact in several impact categories, although these impacts would all be reduced to less-than-significant levels in conjunction with the proposed project. Therefore, the Reduced Project Size alternative represents the environmentally superior alternative. The Reduced Project Size alternative was not

CEQA Findings

Lodi Shopping Center EIR

selected by the applicant because it would not fulfill the project objective of a 30-acre minimum project size needed for project feasibility. It also would be substantially less effective than the proposed project in fulfilling the City's objective of enhancing its fiscal resources through increased sales tax and property tax revenues, or in meeting the objectives of creating new jobs, providing vital municipal infrastructure, and implementing the City's policy objective of developing the proposed project site with commercial retail uses.

In conclusion, there are no feasible environmentally superior alternatives to the project (other than the No Project alternative) which would avoid or reduce the significant impacts associated with the proposed project to less-than-significant levels.

MITIGATION MONITORING PROGRAM

Attached to this resolution and incorporated and adopted as part thereof, is the Mitigation Monitoring and Reporting Program for the Lodi Shopping Center. The Program identifies the mitigation measures to be implemented in conjunction with the project, and designates responsibility for the implementation and monitoring of the mitigation measures, as well as the required timing of their implementation.

STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Public Resources Code Section 21081 and CEQA Guidelines Sections 15091-15093, the City Council of the City of Lodi hereby adopts and makes the following Statement of Overriding Considerations regarding the remaining significant and unavoidable impacts of the project and the anticipated economic, social and other benefits of the project.

A. Significant Unavoidable Impacts

With respect to the foregoing findings and in recognition of those facts which are included in the record, the City Council has determined that the project would result in significant unavoidable impacts to prime agricultural land and regional air quality. These impacts cannot be mitigated to a less-than-significant level by feasible changes or alterations to the project.

B. Overriding Considerations

The City Council specifically adopts and makes this Statement of Overriding Considerations that this project has eliminated or substantially lessened all significant effects on the environment where feasible, and finds that the remaining significant, unavoidable impacts of the project are acceptable in light of environmental, economic, social or other considerations set forth herein because the benefits of the project outweigh the significant and adverse effects of the project.

The City Council has considered the EIR, the public record of proceedings on the proposed project and other written materials presented to the City, as well as oral and written testimony received, and does hereby determine that implementation of the project as specifically provided in the project documents would result in the following substantial public benefits:

1. Project Will Generate City Sales Taxes. The sales generated by the Lodi Shopping Center will generate additional sales tax and property tax revenues for the City, which would otherwise not be generated by the undeveloped site. These revenues go to the City's General Fund which is the primary funding source for the construction, operation and maintenance of a number of essential City services, programs and facilities including fire and police services, recreation programs, transit operations, library services, public infrastructure such as water and sanitary sewer service, and administrative functions, among other things.
2. Project Creates Employment Opportunities for City Residents. The Lodi Shopping Center project will generate both temporary construction jobs as well as hundreds of permanent full-time and part-time jobs. The vast majority of the permanent jobs will not require special skills and therefore could be filled by existing local residents. Thus, with the exception of a very few management positions which will likely be filled by transferees from other localities, no specially-skilled workers would need to be "imported" from outside the City. Consequently, it is expected that City residents would benefit from added employment opportunities offered by the Lodi Shopping Center.
3. Project Will Implement Vital Municipal Infrastructure Improvements. Through the development of the project, a number of public infrastructure projects will be constructed on the project site and the project vicinity. As described on page 15 of the Draft EIR, the project will construct planned roadway improvements along the portions of Lower Sacramento Road and State Route 12/Kettleman Lane that front the project site, and as well as Westgate Drive to its full design width along the western project boundary. This is an economic benefit of the project in that these improvements would otherwise not be made without approval and implementation of the project. The project will also be conditioned to pay impact fees to the City in accordance with City's adopted Development Impact Fee program, which can be applied toward municipal improvements such as water, sewer, storm drainage, and streets, as well as police, fire, parks and recreation, and general City government. These are vital municipal improvements necessary to the function of the City and the quality of life for City residents, providing another economic benefit as well as social benefit of the project.
4. Project Implements Adopted City Plans. The project is situated within Lodi City limits and has been planned for commercial development in the current City of Lodi General Plan since its adoption in 1991. Therefore, the project implements adopted City plans and policies by accomplishing the City of Lodi long-term development plans for commercial use at the project site, consistent with City's growth control measures prioritizing in-fill development within the existing City boundaries. In addition, the project completes the development of the "Four Corners" area by providing a large-scale retail center on the last remaining undeveloped site at the Lower Sacramento Road/Kettleman Lane intersection consistent with the goals and policies of the City's General Plan and Zoning Ordinance.
5. Creates High Quality Design at Western Gateway to the City. The Lodi Shopping Center has been designed in conformance with the City's recently adopted Design Standards for Large Retail Establishments which will ensure a consistent high quality of design throughout the project site. This is a particularly important consideration given the project's visually prominent location at the western gateway to the City, and will effectively implement the General Plan goal and policies which call for the establishment of identifiable, visually appealing, and memorable entrances along the principal roads into the City.

The City Council has weighed the above economic and social benefits of the proposed project against its unavoidable environmental risks and adverse environmental effects identified in the EIR and has determined that those benefits outweigh the risks and adverse environmental effects and, therefore, further determines that these risks and adverse environmental effects are acceptable.

6. The Final Environmental Impact Report for the Lodi Shopping Center project was certified by the Lodi Planning Commission pursuant to the California Environmental Quality Act by adoption of their Resolution No. 04-64 on December 8, 2004.. All feasible mitigation measures for the project identified in the Environmental Impact Report and accompanying studies are hereby incorporated into this resolution.

Dated: February 3, 2005

=====

I hereby certify that Resolution No. 2005-26 was passed and adopted by the City Council of the City of Lodi in a special meeting held February 3, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Mounce
NOES: COUNCIL MEMBERS – Hitchcock
ABSENT: COUNCIL MEMBERS – Mayor Beckman
ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk

RESOLUTION NO. 2005-38

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING USE PERMIT FILE NO. U-02-12, TO ALLOW THE CONSTRUCTION OF A COMMERCIAL SHOPPING CENTER IN THE C-S ZONE AND SALE OF ALCOHOLIC BEVERAGES AT THE WAL-MART SUPERCENTER, AND TENTATIVE PARCEL MAP 03-P-001, TO CREATE 12 PARCELS FOR THE PROJECT RELATING TO THE LODI SHOPPING CENTER

=====

WHEREAS, an application was filed by Browman Development Company for a commercial shopping center at 2640 W. Kettleman Lane more particularly described as Assessor's Parcel Numbers 058-030-08 and 058-030-02 and portion of 058-030-09; and

WHEREAS, the application's are for the following approvals: Use Permits for the construction of commercial structures as required by the C-S Commercial Shopping District and for the sale of alcoholic beverages, as well as a Parcel map to create 12 parcels for the project; and

WHEREAS, the Planning Commission of the City of Lodi has reviewed and considered the Final Environmental Impact Report prepared on the Lodi Shopping Center; and

WHEREAS, the Planning Commission of the City of Lodi, after more than ten (10) days published notice, held a public hearing before said Commission on December 8, 2004; and

WHEREAS, the Lodi City Council has reviewed and considered the approval of Use Permit File No. U-02-12, to allow the construction of a commercial shopping center in the C-S Zone and sale of alcoholic beverages at the Wal-Mart Supercenter, and tentative parcel map 03-P-001, to create 12 parcels for the project relating to the Lodi Shopping Center; and

WHEREAS, the project is consistent with all elements of the General Plan. In particular, the following Goals and Policies:

- A. Land Use and Growth Management Element, Goal E, "To provide adequate land and support for the development of commercial uses providing goods and services to Lodi residents and Lodi's market share."
- B. Land Use and Growth Management Element, Goal E, Policy 7, "In approving new commercial projects, the City shall seek to ensure that such projects reflect the City's concern for achieving and maintaining high quality."
- C. Land Use and Growth Management Element, Goal E, Policy 3, "The City shall encourage new large-scale commercial centers to be located along major arterials and at the intersections of major arterials and freeways."
- D. Housing Element, Goal C, "To ensure the provision of adequate public facilities and services to support existing and future residential development".
- E. Circulation Element, Goal G, "To encourage a reduction in regional vehicle miles traveled."

- F. Circulation Element, Goal A, Policy 1, "The City shall strive to maintain Level of Service C on local streets and intersections. The acceptable level of service goal will be consistent with financial resources available and the limits of technical feasibility."
- G. Noise Element, Goal A, "To ensure that City residents are protected from excessive noise."
- H. Conservation Element, Goal C, Policy 1, "The City shall ensure, in approving urban development near existing agricultural lands, that such development will not constrain agricultural practices or adversely affect the economic viability of adjacent agricultural practices."
- I. Health and Safety Element, Goals A, B, C, and D, "To prevent loss of lives, injury and property damage due to flooding." "To prevent loss of lives, injury, and property damage due to the collapse of buildings and critical facilities and to prevent disruption of essential services in the event of an earthquake." "To prevent loss of lives, injury, and property damage due to urban fires." "To prevent crime and promote the personal security of Lodi residents."
- J. Urban Design and Cultural resources, Goal C, "To maintain and enhance the aesthetic quality of major streets and public/civic areas."

WHEREAS, the design and improvement of the site is consistent with all applicable standards adopted by the City. Specifically, the project has met the requirements of the Lodi Zoning Ordinance with particular emphasis on the standards for large retail establishments; and

WHEREAS, the design of the proposed project and type of improvements are not likely to cause public health or safety problems in that all improvements will be constructed to the City of Lodi standards; and

WHEREAS, these findings, as well as the findings made within Resolution No. P.C. 04-64 certifying Final Environmental Impact Report EIR-03-01, are supported by substantial evidence in the record of this proceeding and before this body.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED as follows:

- 1. The foregoing recitals are true and correct.
- 2. Said Tentative Parcel Map complies with the requirements of the City Subdivision Ordinance, and the Subdivision Map Act.
- 3. Said Site Plan complies with the requirements of the Commercial Shopping (C-S) Zoning District.
- 4. The submitted plans, including site plot plan and architectural elevations for the major anchor building, for the project is approved subject to the following conditions.
 - A. The approval of the Use Permit expires within 24 months from the date of this Resolution. Should any litigation be filed regarding this project, the time limit shown shall be tolled during the pendency of the litigation. Parcel Map

conforming to this conditionally approved Tentative Parcel Map shall be filed with the City Council in time so that the Council may approve said map before its expiration, unless prior to that date, the Planning Commission or City Council subsequently grants a time extension for the filing of the final map, as provided for in the City's Subdivision Ordinance and the Subdivision Map Act. It is the developer's responsibility to track the expiration date. Failure to request an extension will result in a refilling of the Tentative Parcel Map and new review processing of the map.

- B. Prior to submittal of any further plan check or within 90 days of the approval of this project, whichever occurs first, the applicant shall sign a notarized affidavit stating that "I (we), _____, the owner(s) or the owner's representative have read, understand, and agree to implement all mitigation measures identified in the Final Environmental Impact Report for the Lodi Shopping Center and the conditions of the Planning Commission approving U-02-12 and 03-P-001." Immediately following this statement will appear a signature block for the owner or the owner's representative, which shall be signed. Signature blocks for the Community Development Director and City Engineer shall also appear on this page. The affidavit shall be approved by the City prior to any improvement plan or final map submittal.
- C. Prior to issuance of any building permit on the site, each building shall be reviewed by the Site Plan and Architectural Review Committee for consistency with this resolution as well as all applicable standards of the City.
- D. All applications for Site Plan and Architectural Review Committee consideration shall comply with the following conditions:
 - 1. All buildings shall meet the required setbacks for the C-S zoning district. All buildings shall implement building elements and materials illustrated on the submitted elevation or otherwise consistent with the architectural theme presented on the submitted elevation of the major tenant building.
 - 2. Submit a construction landscape plan consistent with the submitted conceptual landscape plan. The applicant shall also insure that the overall ratio of trees, including perimeter landscaping is equal to one tree for every four parking spaces. Further, said plan shall demonstrate that the City's requirement for parking lot shading is met.
 - 3. The applicant shall select and note on all plans common tree species for the parking lot and perimeter areas from the list of large trees as identified in the Local Government Commission's "Tree Guidelines for the San Joaquin Valley".
 - 4. All drive-through eating facilities shall have a "double service window" configuration and pullout lane to minimize auto emissions.
 - 5. Cart corrals shall to be provided in the parking lot adjacent to Wal-Mart and distributed evenly throughout the lots rather than concentrated along the main drive aisle. In addition, a cart corral

shall be provided as close as possible to the two bus stop/shelters provided on-site. Further, cart corrals shall be permanent with a design that is consistent with the theme of the center. Portable metal corrals shall be prohibited.

6. Trash enclosures shall be designed to accommodate separate facilities for trash and recyclable materials. Trash enclosures having connections to the wastewater system shall install a sand/grease trap conforming to Standard Plan 205 and shall be covered.
 7. Hardscape items, including tables, benches/seats, trashcans, bike racks, drinking fountains, etc. shall be uniform for all stores throughout the shopping center.
 8. All signage shall be in compliance with a detailed Sign Program that shall be submitted to SPARC for review and approval with the first building plan review.
 9. Said program shall require all signs to be individual channel letter at the standards provided by the zoning ordinance.
 10. Any bollards installed in a storefront location shall be decorative in style and consistent with the theme of the shopping center. Plain concrete bollards, or concrete filled steel pipe bollards shall not be permitted.
- E. All landscaped area shall be kept free from weeds and debris, maintained in a healthy growing condition and shall receive regular pruning, fertilizing, mowing, and trimming. Unhealthy, dead, or damaged plant materials shall be removed and replaced within 30 days following written notice from the Community Development Director.
- F. The following items are conditions of approval for the vesting tentative parcel map, all to be accomplished prior to, or concurrent with, final parcel map filing unless noted otherwise:
1. Dedication of street right-of-way as shown on the parcel map with the following changes/additions:
 - a) Street right-of-way dedications on Westgate Drive shall be in conformance with the traffic study for the project and City of Lodi requirements and shall be consistent with the West Side Facility Master Plan. The north and south legs of Westgate Drive must be in alignment through the intersection at Kettleman Lane. Construction of full width street improvements to and including the west curb and gutter is required. Acquisition of additional right-of-way from adjacent parcels to the west is the responsibility of the developer and must be supplied prior to recordation of any final parcel map. In the event the developer is unable to acquire the additional right-of-way from adjacent property owners, the project site plan and proposed parcel boundaries shall be modified to provide the required street right-of-way dedications within the boundaries of the map.

- b) Right-of-way dedications on Lower Sacramento Road and Kettleman Lane shall be in conformance with the project traffic study and City of Lodi street geometric requirements for this project and to the approval of the Public Works Department and Caltrans. The right-of-way width and lane geometry for Kettleman Lane need to be compatible with the improvement plans prepared by Mark Thomas & Company for the Vintner's Square Shopping Center on the north side of Kettleman Lane. Right-of-way dedications on Kettleman Lane shall be made to Caltrans in conformance with their requirements. Separate parcels shall be created for Caltrans dedications. It should be anticipated that Caltrans will require street widening improvements west of the project boundary. Acquisition of any right-of-way necessary to meet Caltrans requirements shall be the responsibility of the developer.
 - c) Lower Sacramento Road is an established STAA route and turning movements to and from the roadway into private driveways and intersecting streets are required to demonstrate that accommodation has been made for the truck turning movement in conformance with Public Works requirements. At the signalized intersection and the driveway immediately north, the right-of-way dedications and driveway design shall provide for 60-foot radius truck turning movements as set forth in the Caltrans Highway Design Manual.
 - d) The right-of-way dedication and driveway design at the south project driveway on Lower Sacramento Road shall accommodate and be in conformance with the California Semitrailer wheel track (18m/60ft radius) turning template.
 - e) Right-of-way dedications at all proposed project driveway locations shall be sufficient to accommodate the handicap ramps and public sidewalks at the crosswalk locations. In addition, the right-of-way dedication at the proposed traffic signal location on Lower Sacramento Road shall be sufficient to allow installation of the traffic signal improvements within the public right-of-way.
2. Dedication of public utility easements as required by the various utility companies and the City of Lodi, including, but not limited to, the following:
- a) An existing public utility easement (PUE) lies within the proposed Westgate Drive right-of-way. The existing PUE shall be abandoned and an equal replacement PUE conforming to City of Lodi requirements shall be provided immediately adjacent to and west of the west right-of-way line of Westgate Drive. Acquisition of the replacement PUE from adjacent parcels to the west is the responsibility of the developer and must be accomplished prior to recordation of any final parcel map. In the event the developer is unable to acquire the replacement PUE from adjacent property owners, the project site plan and proposed parcel boundaries shall be modified to provide the required PUE dedications within the boundaries of the map.

- b) A PUE along the southerly property line sufficient to accommodate the installation of electric utility overhead transmission lines and underground conduit bank outside proposed landscape areas, and the extension of water, wastewater and industrial waste transmission lines between Lower Sacramento Road and Westgate Drive. We anticipate the required PUE along the south project boundary will be on the order of 65 to 75 feet. It may be possible to reduce the width of the PUE by realigning some of the pipes through the shopping center site. The actual alignment and width will be to the approval of the Public Works Department and City of Lodi Electric Utility.
 - c) A PUE at the proposed signalized project driveway to accommodate the installation of traffic signal loops.
 - d) A PUE at the existing southerly Sunwest Plaza (Food 4 Less) driveway to accommodate the installation of traffic signal loops. Acquisition of the PUE is the responsibility of the developer and must be accomplished prior to recordation of any final parcel map.
3. In order to assist the City in providing an adequate water supply, the property owner is required to enter into an agreement with the City that the City of Lodi be appointed as its agent for the exercise of any and all overlying water rights appurtenant to the proposed Lodi Shopping Center, and that the City may charge fees for the delivery of such water in accordance with City rate policies. The agreement establishes conditions and covenants running with the land for all lots in the parcel map and provides deed provisions to be included in each conveyance.

Submit final map per City requirements including the following:

- a) Preliminary title report.
 - b) Standard note regarding requirements to be met at subsequent date.
4. Payment of the following:
- a) Filing and processing fees and charges for services performed by City forces per the Public Works Fee and Service Charge Schedule.

G. The following items are conditions of approval for the vesting tentative parcel map and use permit that will be deferred until the time of development:

- 1. Engineering and preparation of improvement plans and estimate per City Public Improvement Design Standards for all public improvements for all parcels at the time of development of the first parcel. Plans to include:
 - a) Detailed utility master plans and design calculations for all phases of the development, including the proposed temporary storm drainage detention basin. Detailed utility master plans have not been developed for the area between Kettleman Lane on the north, Harney Lane on the south, Lower Sacramento Road on the east and the current General Plan boundary on the west. The project site is at the upstream boundary of the storm drain and wastewater utilities for this area. The developer's engineer shall provide

detailed drainage master plans, including engineering calculations, for the entire area as well as all phases of the proposed project. City staff will assist in this process to the extent practicable. Should City staff be unable to meet developer's schedule, developer shall have the option to pay the City to contract for supplemental outside consultant services to expedite review and approval of the master planning work.

- b) Current soils report. If the soils report was not issued within the past three (3) years, provide an updated soils report from a licensed geotechnical engineer.
- c) Grading, drainage and erosion control plan.
- d) Copy of Notice of Intent for NPDES permit, including storm water pollution prevention plan (SWPPP).
- e) All utilities, including street lights and electrical, gas, telephone and cable television facilities.
- f) Landscaping and irrigation plans for street medians and parkway areas in the public right-of-way.
- g) Undergrounding of existing overhead utilities, excluding transmission lines.
- h) Installation of the proposed traffic signal at the main project driveway on Lower Sacramento Road. The traffic signal shall be designed to operate as an eight phase signal.
- i) Modification of the existing southerly Sunwest Plaza (Food 4 Less) driveway to widen the driveway to the south as shown on the site plan and construct a driveway return comparable to the existing driveway return.
- j) Installation/modification of the traffic signal at the Kettleman Lane/Westgate Drive intersection as required by the project.
- k) Traffic striping for Lower Sacramento Road, Westgate Drive and Kettleman Lane.

A complete plan check submittal package including all the items listed above plus engineering plan check fees is required to initiate the Public Works Department plan review process for the engineered improvement plans.

- 2. There is limited wastewater capacity in the wastewater main in Lower Sacramento Road. The area of the shopping center site containing the proposed Wal-Mart store lies outside the service area for the Lower Sacramento Road wastewater line. Developer shall perform a capacity analysis using flow monitoring protocols to assess the viability of utilizing the Lower Sacramento Road wastewater line on an interim basis. Wastewater facilities outside the Lower Sacramento Road service area shall be designed to allow future connection to the wastewater main in Westgate Drive. If the capacity analysis indicates that interim capacity in the Lower Sacramento Road wastewater line is not available, master plan wastewater facilities shall be constructed to serve the project.

3. Installation of all public utilities and street improvements in conformance including, but not limited to, the following:
- a) Installation of all curb, gutter, sidewalk, traffic signal and appurtenant facilities, traffic control or other regulatory/street signs, street lights, medians and landscaping and irrigation systems. All improvements on Kettleman Lane shall be in conformance with City of Lodi and Caltrans requirements and require Caltrans approval. Additional right-of-way acquisition outside the limits of the map may be required and shall be the responsibility of the developer.
 - b) The extension/installation of all public utilities, including, but not limited to, the extension of master plan water, wastewater, storm drainage and reclaimed water mains to the south end of Westgate Drive and the extension of water, wastewater and industrial waste transmission lines through the shopping center site from Lower Sacramento Road to Westgate Drive. The developer's engineer shall work with Public Works Department staff to resolve public utility design issues.
 - c) Relocation of existing utilities, as necessary, and undergrounding of existing overhead lines, excluding electric (64 kv) transmission lines.
 - d) Storm drainage design and construction shall be in compliance with applicable terms and conditions of the City's Stormwater Management Plan (SMP) approved by the City Council on March 5, 2003, and shall employ the Best Management Practices (BMPs) identified in the SMP. If bioswales are to be used, they need to be clearly delineated and detailed on the site plan and the landscape plan. Most trees are not compatible with bioswales.
 - e) The lane configuration for Westgate Drive shall be consistent with the West Side Facility Master Plan. The street improvements will include a landscaped median and parkways. Improvements on Westgate Drive shall extend to and include the installation of the westerly curb and gutter. Acquisition of street, public utility and construction easements from the adjoining property may be necessary to allow this construction and shall be the responsibility of the developer. Street improvements for Westgate Drive shall be constructed from the signalized intersection on Kettleman Lane to the south boundary of the parcel map.
 - f) Modification of the existing southerly Sunwest Plaza (Food 4 Less) driveway in conformance with the California Semitrailer wheel track (18m/60ft radius) turning template to accommodate northbound right turns. Acquisition of additional right-of-way and construction easements from the adjacent property to the south may be necessary to accomplish this work and shall be the responsibility of the developer.

All public improvements to be installed under the terms of an improvement agreement to be approved by the City Council prior to development of the first parcel.

4. The proposed temporary storm drainage basin shall be designed in conformance with City of Lodi Design Standards §3.700 and must be approved by the City Council. Acquisition of property to accommodate the construction of the temporary drainage basin is the responsibility of the developer. All drainage improvements shall be designed for future connection to permanent public drainage facilities when they become available. If a temporary outlet from the drainage basin to the public storm drain system in Lower Sacramento Road is desired, developer's engineer shall contact the Public Works Department to coordinate this work with the City's Lower Sacramento Road Widening Project.
5. A Caltrans encroachment permit is required for all work in the Kettleman Lane right-of-way, including landscape and irrigation improvements in the median and parkway along the site frontage. Based on past experience, Caltrans will only allow landscape and irrigation improvements within their right-of-way if the City enters into an agreement with Caltrans covering maintenance responsibilities for those improvements. The City is willing to execute such an agreement, however, the developer will be required to execute a similar landscape maintenance agreement with the City assuming the city's responsibilities for the landscape and irrigation improvements in the parkways. The City will accept maintenance responsibilities for all landscape and irrigation improvements in the median.
6. Design and installation of public improvements to be in accordance with City master plans and the detailed utility master plans as previously referenced above.

Note that the developer may be eligible for reimbursement from others for the cost of certain improvements. It is the developer's responsibility to request reimbursement and submit the appropriate information per the Lodi Municipal Code (LMC) §16.40.

7. Parcels 1 through 12 are zoned C-S to allow development of a commercial shopping center. The following improvements shall be constructed with the development of the first parcel zoned for commercial development:
 - a) Installation of all street improvements on Lower Sacramento Road, Kettleman Lane and Westgate Drive. Street improvements for Lower Sacramento Road and Westgate Drive shall be constructed from the signalized intersections on Kettleman Lane to the south boundary of the parcel map. Street improvements along the frontages of Parcels 1, 12 and "A" shall extend to and include the installation of the westerly curb and gutter.
 - b) Modification of the existing southerly Sunwest Plaza (Food 4 Less) driveway in conformance with the California Semitrailer wheel track (18m/60ft radius) turning template to accommodate northbound right turns.
 - c) The extension/installation of all public utilities necessary to serve the commercial development and/or required as a condition of development.

- d) Temporary storm drainage detention basin to serve the project.
- 8. Acquisition of street right-of-way, public utility easements and/or construction easements outside the limits of the map to allow the installation of required improvements on Kettleman Lane, Lower Sacramento Road and Westgate Drive.
- 9. Abandonment/removal of wells, septic systems and underground tanks in conformance with applicable City and County requirements and codes prior to approval of public improvement plans.

Payment of the following:

- a) Filing and processing fees and charges for services performed by City forces per the Public Works Fee and Service Charge Schedule.
- b) Development Impact Mitigation Fees per the Public Works Fee and Service Charge Schedule at the time of payment and as provided by Resolution 2004-238 adopted by the City Council on November 3, 2004.
- c) Wastewater capacity fee at building permit issuance.
- d) Reimbursement fees per existing agreements:
 - I. Reimbursement Agreement RA-02-02. The reimbursement fee for 2004 is \$32,307.78. The fee is adjusted annually on January 1. The fee to be paid will be that in effect at the time of payment.
 - II. The Vintner's Square shopping center on the north side of Kettleman Lane is currently under construction. We anticipate that the developer of the Vintner's Square project will submit a request for reimbursement in conformance with LMC 16.40 Reimbursements for Construction covering public improvements in Kettleman Lane and Westgate Drive constructed with that development which benefit the Lodi Shopping Center project when the Vintner's Square improvements are complete. Upon submittal, the reimbursement agreement will be prepared by City staff and presented to the City Council for approval. Any reimbursement fees approved by the City Council that affect the Lodi Shopping Center site will have to be paid in conjunction with the development of the first parcel.
- e) Reimbursement to the City for the installation and/or design costs for the following improvements to be included in City's Lower Sacramento Road project:
 - I. Installation of 10-inch water main and storm drain lines, including appurtenant facilities, in Lower Sacramento Road in conformance with LMC §16.40 Reimbursements for Construction.
 - II. Water, wastewater and storm drain stubs to serve the shopping center project.
 - III. Any other costs associated with changes/additions necessary to accommodate the Lodi Shopping Center project, including, but not limited to, any utility alignment changes for public utilities to be

extended through the site and the proposed dual northbound left turn lanes and conduit crossings for the traffic signal improvements at the main shopping center driveway.

- f) The project shall contribute its fair share cost to the installation of a permanent traffic signal at Lower Sacramento Road and Harney Lane. Until the intersection improvements are made and traffic signals are installed, the project applicant shall contribute its fair share cost for the installation of a temporary traffic signal with left-turn pockets on all four approaches to the Lower Sacramento Road/Harney Lane intersection.

The above fees are subject to periodic adjustment as provided by the *implementing ordinance/resolution*. The fee charged will be that in effect at the time of collection indicated above.

10. Obtain the following permits:

- a) San Joaquin County well/septic abandonment permit.
- b) Caltrans Encroachment Permit for work in Caltrans right-of-way.

11. The City will participate in the cost of the following improvements in conformance with LMC §16.40 Reimbursements for Construction:

- a) Master plan storm drain lines.
- b) Master plan water mains.
- c) Master plan reclaimed water mains
- d) Industrial waste

Please note that construction of master plan wastewater facilities to serve the project site is not included in the City's Development Impact Mitigation Fee Program and is not subject to impact mitigation fee credits for sewer facilities or reimbursement by the City.

- H. Install fire hydrants at locations approved by the Fire Marshal.
- I. Shopping carts shall be stored inside the buildings or stored in a cart storage area adjacent to the entrance of the building.
- J. No outdoor storage or display of merchandise shall be permitted at the project unless a specific plan for such display is approved by SPARC. At no time shall outdoor storage or display be allowed within the parking area, drive aisle or required sidewalks of the center.
- K. Vending machines, video games, amusement games, children's rides, recycling machines, vendor carts or similar items shall be prohibited in the outside area of all storefronts. The storefront placement of public telephones, drinking fountains and ATM machines shall be permitted subject to the review and approval of the Community Development Director.
- L. All storage of cardboard bales and pallets shall be contained within the area designated at the rear of the Wal-Mart building for such use. No storage of cardboard or pallets may exceed the height of the masonry enclosure at any time.

- M. The loading area shown in front of the Wal-Mart building shall be stripped and posted with "NO PARKING – LOADING ONLY" signs to the satisfaction of the Community Development Director.
- N. A photometric exterior lighting plan and fixture specification shall be submitted for review and approval of the Community development Director prior to the issuance of any building permit. Said plans and specification shall address the following:
1. All project lighting shall be confined to the premises. No spillover beyond the property line is permitted.
 2. The equivalent of one (1) foot-candle of illumination shall be maintained throughout the parking area.
- O. Exterior lighting fixtures on the face of the buildings shall be consistent with the theme of the center. No wallpacks or other floodlights shall be permitted. All building mounted lighting shall have a 90-degree horizontal flat cut-off lens unless the fixture is for decorative purposes.
- P. All parking light fixtures shall be a maximum of 25 feet in height. All fixtures shall be consistent throughout the center.
- Q. All construction activity shall be limited to the hours of 7:00 a.m. to 6:00 p.m. Monday through Saturday. No exterior construction activity is permitted on Sundays or legal holidays.
- R. Prior to the issuance of a building permit for the new Wal-Mart Supercenter, the applicant shall ensure one of the following with respect to the existing Wal-Mart building located at 2350 West Kettleman Lane ("Building"):
- a) The owner of the Building shall have entered into signed lease(s) with bona-fide tenant(s) for at least 50% of the Building square footage (not including the fenced, outdoor garden center). The signed lease(s) required hereunder shall include a lease(s) with a bona-fide retailer(s) or restaurant for a minimum of two-thirds of the Building frontage (not including the fenced, outdoor garden center); or
 - b) The owner of the Building shall have entered into a fully executed purchase agreement for the Building with a bona-fide retailer; or
 - c) The Applicant shall present to the City a cash escrow account, subject to the approval of the City Attorney, which account shall be for the purpose of securing applicant's obligation to demolish the Building not later than 90 days after the opening to the general public of the new Wal-Mart Supercenter (the "Opening Date"). The amount of the deposit shall be equal to the City estimated reasonable costs to demolish the Building (based on a licensed contractor estimate) plus \$100,000. The escrow account shall be paid to City in the event that Option (a), (b) or (c) is not satisfied within 90 days of the Opening Date. If Option (a), (b) or (c) is satisfied within 90 days after the Opening Date, the cash in the escrow account shall be refunded in full to the Applicant.

If the Applicant does not satisfy this condition under Option (a), (b) or (c) within 90 days after the Opening Date, the City shall use the funds to demolish the Building with any balance reverting to the City as compensation for its expense and inconvenience incurred to demolish the Building. The owner of the Building shall present evidence that any lender on the Building consents to the demolition in a form subject to the approval of the City Attorney. This condition shall be recorded against the property as a deed restriction, which runs with the land. Applicant and Wal-Mart agree to enter into any agreements that are necessary in order to implement this condition.

- S. No materials within the garden or seasonal sales area shall be stored higher than the screen provided.
- T. Wal-Mart shall operate and abide by the conditions of the State of California Alcoholic Beverage Control license Type 21, off sale-general.
- U. Wal-Mart shall insure that the sale of beer and wine does not cause any condition that will result in repeated activities that are harmful to the health, peace or safety of persons residing or working in the surrounding area. This includes, but is not limited to: disturbances of the peace, illegal drug activity, public drunkenness, drinking in public, harassment of passerby, assaults, batteries, acts of vandalism, loitering, illegal parking, excessive or loud noise, traffic violations, lewd conduct, or police detention and arrests.
- V. This Use Permit is subject to periodic review to monitor potential problems associated to the sale of alcoholic beverages.
- W. Prior to the issuance of a Type 21 license by the State of California Alcoholic Beverage Control Department, the management of the Wal-Mart store shall complete the Licensee Education on Alcohol and Drugs (LEAD) as provided by the State Alcoholic Beverage Control Department. In the event that Wal-Mart has training that is equivalent to the LEAD program, such documentation shall be submitted to the Community Development Director for review and approval.
- X. The project shall incorporate all mitigation measures as specified in the adopted Final Environmental Impact Report EIR-03-01 for the project.
- Y. The submitted Use Permit, Parcel Map and associated plot plan are hereby approved subject to the conditions set forth in this resolution.
- Z. No variance from any City of Lodi adopted code; policy or specification is granted or implied by the approval of this Resolution.
- AA. The sliding gates that are shown in the rear of the Wal-Mart building shall have a knox box system at each gate for Fire Department access.
- BB. Buildings, which are fire sprinkled, shall have Fire Department connections within 50 feet of a fire hydrant, subject to the Fire Marshall's approval.
- CC. Fire lanes shall be identified per Lodi Municipal Code 10.40.100 and marked in locations specified by the Fire Marshall. All fire lanes shall be a minimum of 24-foot-wide.

- DD. The water supply for the project shall meet the requirements for fire hydrants and fire sprinkler demand and system approved by the Fire Marshall.
- EE. Developer shall pay for the linkage study that the City is required to do based on Program 11 of the recently adopted Housing Element of the General Plan. The developer shall receive a credit for the amount paid against the final fee as adopted by the City Council.
- FF. Wal-Mart shall provide proof of sale, to a non Wal-Mart related entity, of the existing Wal-Mart property located at 2350 W. Kettleman Lane prior to the issuance of the building permit for the new Wal-Mart Supercenter without condition on the right of purchaser to lease or sell the existing Wal-Mart building.
5. The City Council certifies that a copy of this Resolution, and Final Environmental Impact Report are kept on file with the City of Lodi Community Development Department, 221 West Pine Street, Lodi, CA 95240.

Dated: February 16, 2005

=====

I hereby certify that Resolution No. 2005-38 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 16, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, and Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – Mayor Beckman



SUSAN J. BLACKSTON
City Clerk

2005-38



www.pacificmunicipal.com

April 10, 2006

Mr. Randy Hatch
Community Development Director
City of Lodi
City Hall
21 West Pine Street
P.O. Box 3006
Lodi, CA 95241

Re: Proposal to Prepare the Amendments to the Lodi Shopping Center EIR

Dear Mr. Hatch:

Pacific Municipal Consultants is pleased to submit this proposal to prepare the Amendments to the Lodi Shopping Center EIR. The following scope of work outlines our understanding of the assignment, and the expected content of the EIR Amendments, and provides an overview of PMC's involvement in the review and revision process through to EIR certification. This is followed by a schedule outlining the timeline for this process, and the estimated budget needed to complete the scope of work.

SCOPE OF WORK

Project Understanding

For purposes of this scope of work, it is assumed that the project description for the Lodi Shopping Center will be the same as described in the previously certified Lodi Shopping Center EIR.

General Approach

It is understood that the certification of the original EIR has been rescinded. However, since only limited portions of the EIR will need to be revised and recirculated, it is understood that the EIR revisions will be contained in a supplemental document. It is the intent of City staff that the original EIR, as amended by the supplemental document, will be carried forward for certification. Because the original EIR is not currently a certified document, the supplemental document cannot be called "Supplemental EIR," "Subsequent EIR," or "EIR Addendum," since these terms have specific meaning under CEQA in that they all function to amend EIRs which have been certified. As such, PMC proposes to call the subject document an "EIR Amendments document" since this is not a CEQA term and yet accurately describes the function of the document.

CHICO
140 Independence Circle
Suite C
Chico, CA 95973
Phone (530) 894-3469
Fax (530) 894-6459

DAVIS
1590 Drew Avenue
Suite 120
Davis, CA 95616
Phone (530) 750-7076
Fax (530) 750-2811

MONTEREY
585 Cannery Row
Suite 304
Monterey, CA 93940
Phone (831) 644-9174
Fax (831) 644-7696

MT. SHASTA
508 Chestnut Street
Suite A
Mt. Shasta, CA 96067
Phone (530) 926-4059
Fax (530) 926-4279

OAKLAND
1440 Broadway
Suite 1008
Oakland, CA 94612
Phone (510) 272-4491
Fax (510) 268-9207

PHOENIX
1616 E. Indian School Road
Suite 440
Phoenix, AZ 85016
Phone (602) 279-1360
Fax (602) 279-1326

RANCHO CORDOVA
10461 Old Placerville Road
Suite 110
Rancho Cordova, CA 95827
Phone (916) 361-8384
Fax (916) 361-1574

SAN DIEGO
10951 Sorrento Valley Road
Suite 1-A
San Diego, CA 92121
Phone (858) 453-3602
Fax (858) 453-3628

The primary purpose of the EIR Amendments document will be to address those aspects of the original Lodi Shopping Center EIR that were found to be deficient by the San Joaquin County Superior Court in its decision issued on December 19, 2005. In particular, the EIR Amendments document is to revise the urban decay analysis in the EIR and to address the project's potential energy effects. This scope of work also includes revisions to the Project Alternatives section of the EIR, as well as a modified statement of Project Objectives, as requested by City staff.

In addition, the City of Lodi has indicated that it has made a significant change in policy with respect to protection of agricultural land since the original EIR was certified on February 3, 2005. It is anticipated that City Council will formally adopt a policy requiring new development projects to provide mitigation for conversion of prime agricultural land, specifically in the form of agricultural easements or in-lieu payments at a prescribed ratio. Since the previously certified EIR does not identify this as a mitigation measure, the City staff has directed that the EIR Amendments document include a revised discussion of agricultural impacts which identifies agricultural easements as a mitigation measure.

In short, the EIR Amendments document is to contain substantive discussions on the subjects of urban decay, energy resources, agricultural resources, and project alternatives, and will include a modified Statement of Project Objectives. The proposed content of each of these discussions is outlined below under "Task 2 - Prepare Administrative Draft EIR Amendments." Since the remainder of the previously certified EIR was not deemed deficient by the Superior Court, the EIR Amendments document will contain no other topical discussions apart from those identified above. However, for informational purposes, the EIR Amendments document will include the 'Summary of Impacts and Mitigations' and the 'Project Description' from the original EIR.

It is understood that the entire EIR will need to be recertified. However, since the remaining portions of the original EIR are still valid and not subject to change, there is no need to recirculate the original EIR for public and agency review. However, the Planning Commission and the City Council (on appeal) will need to have the original EIR, along with the EIR Amendments document, in order to recertify the entire EIR. For this purpose, it is recommended that the previous DEIR be revised to include the text amendments included in the previous Final EIR, and that the entire document be renamed consolidated Final EIR (Volumes I and II). In order to avoid confusion with respect to the revised sections, it is recommended that the passages of the previous EIR which are revised in the EIR Amendments document be overwritten with strikeouts, with a note accompanying each such passage indicating that the revised passage is found in the EIR Amendments document. For the convenience of the reviewers, it is proposed that the public review draft of the EIR Amendments document include a CD containing the original consolidated Final EIR (Volumes I and II) and the Draft EIR Amendments document.

TASK 1 – PREPARE NOTICE OF PREPARATION

As required under CEQA, a Notice of Preparation (NOP) will be prepared which notifies the public and agencies that the EIR Amendments document is being prepared, and which invites their input on issues of concern. The NOP will include a project description and the list of issues to be covered in the EIR Amendments document. It is assumed that City staff will distribute the NOP to the agencies and other interested parties.

TASK 2 - PREPARE ADMINISTRATIVE DRAFT EIR AMENDMENTS DOCUMENT

The content of the EIR Amendments document and the work tasks for the individual topic areas, as currently anticipated, are described below. The format of the EIR Amendments document will be identical to the previously certified EIR and will use the same numbering system for individual sections of the document.

INTRODUCTION

This brief introductory section will discuss the background of the EIR Amendments document, and will explain the rationale for limiting the scope of issues to be addressed in the document. The City's process for preparation and review of the EIR Amendments document will also be described.

SUMMARY

This section will include a brief description of the project and a summary table that lists the potential impacts identified in both the original EIR and the EIR Amendments document (newly added or modified language would be distinguished in some manner), along with the corresponding mitigation measures and the level of significance after mitigation.

II. PROJECT DESCRIPTION

It is expected that this chapter will be identical to the corresponding chapter in the original EIR, except that the Statement of Project Objectives will be modified.

III. ENVIRONMENTAL SETTING, IMPACTS AND MITIGATION MEASURES

This chapter will include an introductory note indicating that only the revised portions of the EIR are included in this document. It will note that all other aspects of the original EIR are still deemed valid, and that the following sections are to be considered replacements for the corresponding sections the original EIR.

- A. Land Use – The EIR Amendments document would include only a revised version of "Impact A3. Potential for Blight Due to Socioeconomic Impacts." (The reader would be referred to the original FEIR for discussion of other land use issues.) The new discussion of urban blight will be based entirely on the economic impact report to be prepared by Bay Area Economics under direct contract to the City. The new economic report is intended to replace the previous economic report by ADE. Although the BAE report will comprise a full economic impact study, it will focus on the competitive effects of the Wal-Mart Supercenter upon existing businesses within the trade area. The study will also include a specific analysis of the effects of the Lodi Shopping Center on downtown businesses. Most importantly, this section will address the cumulative effects of several existing and planned Wal-Mart Supercenters in the area, an issue which was raised by the Superior Court. However, the economic report will not evaluate the potential urban decay resulting from the vacancy of the existing Wal-mart

applicant to retenant this space will be adequate to prevent the physical deterioration of this space. The economic report by BAE will be included as a technical appendix to the EIR Amendments document.

- B. **Agricultural Resources** – Much of the discussion in the original EIR section, particularly the ‘Environmental Setting’ and ‘Regulatory Setting’ discussions, is still valid. However, these discussions will be reproduced in the EIR Amendments document in order to provide a context for the revised discussion under “Impact B1. Agricultural Land Conversion.” Although much of this impact and mitigation discussion is also still valid, it will be revised and updated to reflect current City policy direction concerning the use of conservation easements as mitigation for conversion of prime farmland. The new discussion will describe, in detail, a new City policy on agricultural mitigation (expected to be adopted within the next two months), including prescribed replacement ratios, designated areas for acquisition of easements, management of easements or in-lieu fees, and other aspects of implementation, as appropriate. The most significant modification introduced by the SEIR will be the identification of new mitigation measure requiring the acquisition of an agricultural easement at a prescribed ratio, or payment of in-lieu fees at a prescribed rate. However, it will be acknowledged that since this mitigation will not prevent the conversion of irreplaceable prime farmland, the level of impact remaining after mitigation will still be significant and unavoidable. As such, the requirement to adopt a Statement of Overriding Considerations for agricultural resources will remain.
- C. **Energy** – This represents a new section which was specifically directed by the Superior Court to be added to the EIR. This section will follow the format of the other EIR sections and will begin with an overview of CEQA requirements and guidance for the discussion of energy impacts. The focus of the discussion will be on whether the project results in “inefficient, wasteful, and unnecessary consumption of energy.” As appropriate, the guidance contained in CEQA Guidelines’ “Appendix F – Energy Conservation” will be followed in preparing the analysis of energy impacts. In particular, this will cover the energy usage of the project, the capacity of the existing energy generation and distribution systems to accommodate the energy needs of the project, and the specific elements of the project which are intended to conserve energy.

III. CUMULATIVE IMPACTS

This chapter will be selectively revised to include revised discussions for the three topics of concern, namely land use (urban decay), agricultural resources, and energy. It will be noted that all other aspects of the cumulative analysis are not subject to change.

IV. ALTERNATIVES TO THE PROPOSED PROJECT

The existing alternatives discussion will be revised to reflect the modifications to the project objectives, and to incorporate other changes as directed by City staff. It is assumed that up to two new alternatives will be added to this chapter, with the specific descriptions of the alternatives to be determined in consultation with City staff.

APPENDIX A

The Notice of Preparation (NOP) for the EIR Amendments document, the comments received on the NOP, will be included as Appendix A to the EIR Amendments document.

APPENDIX B

The Economic Impact Report by Bay Area Economics will be contained in this appendix.

PRINTING AND DELIVERY

Upon completion of the Administrative Draft EIR Amendments document, 10 copies of the document will be printed and delivered to the City staff for their review, along with an electronic copy of the text in MS Word. (Five copies will be printed for use by the applicant.)

TASK 3 - REVISE EIR AMENDMENTS DOCUMENT

Based on comments received from the City staff, the Administrative Draft EIR Amendments document will be revised. It is expected that submittal of electronic copies (via email) of the revised EIR Amendments document and economic study will be sufficient for this round of review.

TASK 4 - PREPARE DRAFT EIR AMENDMENTS DOCUMENT

Based on staff comments received on the Revised Administrative Draft EIR Amendments document, a preliminary Draft EIR Amendments document will be prepared which incorporates the changes requested. It is anticipated that only an electronic copy of the text will need to be submitted at this stage. Typically, this phase of the process consists of a series of quick review and revision cycles, conducted via email, until the City determines that the Draft EIR Amendments document is acceptable for public review. A total of 50 hard copies of the Draft EIR Amendments document will be produced and submitted to the City, along with one reproducible hard copy. Each hard copy of the document will include an electronic copy of the document on CD in PDF format, which will be inserted in a pocket part inside the back cover. (As noted, the CD will include the original FEIR [Volumes I and II] and the Draft EIR Amendments document.) This scope of work includes the forwarding to the State Clearinghouse of an additional 15 hard copies of the full Draft EIR Amendments document along with the Notice of Completion (NOC). It is assumed that the City will distribute the document to local agencies and other interested parties. The 45-day public and agency review period will commence once the documents are submitted to the State Clearinghouse and made available for public review.

TASK 5 - PREPARE FINAL EIR AMENDMENTS DOCUMENT

At the conclusion of the 45-day review period, the comment letters from the agencies and the public will be reviewed and discussed with City staff. The draft responses to comments will then be prepared, along with an addendum section containing any text revisions to the EIR Amendments document. Upon completion, an administrative Final EIR Amendments document will be submitted to the City in electronic form for their review. Based on the comments received from the staff, final revisions to the document will be made. The Final EIR Amendments document will

submitted to the City in electronic form for their review. Based on the comments received from the staff, final revisions to the document will be made. The Final EIR Amendments document will include the summary of impacts and mitigations from the Draft EIR Amendments document, the comment letters, responses to comments, and text amendments. A total of 65 hard copies of the Final EIR Amendments document will be submitted (each with a CD of the document inside the back cover), along with one reproducible copy. In addition, 20 hard copies of the consolidated original FEIR (i.e., original DEIR revised to incorporate text changes specified in the original FEIR) will be produced for use by the Planning Commission, City Council, and staff.

Since it is difficult to predict the volume of comments that will be submitted on the Draft EIR Amendments document or the degree of controversy that the project will generate, the level of effort required to prepare responses to the comments cannot be estimated with accuracy. For purposes of this scope of work, a budget allocation equivalent to approximately 60 hours professional time has been devoted to the preparation of the Final EIR Amendments document. If additional effort is required beyond this allocation, additional budget authorization may be required, depending on budget remaining at the time.

MITIGATION MONITORING AND REPORTING PROGRAM

The previously adopted Mitigation Monitoring and Reporting Program (MMRP) for the project will be modified to reflect changes to the mitigation measures.

CEQA FINDINGS

This scope of work includes preparation of draft CEQA findings, including a Statement of Overriding Considerations, for use by City staff.

MEETINGS

It is anticipated that up to two meetings with City staff on the EIR Amendments document will be required during the course of the environmental review process, but that the bulk of the ongoing coordination will occur by telephone or email.

PUBLIC HEARINGS

It is anticipated that attendance at two public hearings on the project and EIR may be required before Planning Commission, and the City Council will hold one hearing on appeal. Therefore, attendance at a total of three public hearings is included in this scope of work.

Schedule

The following schedule sets forth the estimated time requirements for each step in the preparation and review process for the EIR Amendments document. This represents an optimal time-line and may be optimistic with respect to review and revision cycles. For example, additional time may be needed if major revisions to the economic report are required; or if greater than expected efforts are required to respond to comments received from public agencies or the public during the 45-day review period.

<u>Tasks/Steps</u>	<u>Time Elapsed (Weeks)</u>	<u>Target Date</u>
Authorization to Proceed/Consultant Contracts Executed	2.0	4/24
BAE – Admin. Draft Economic Impact Study Completed	8.0	6/19
PMC – Review of Admin. Draft Economic Study Completed	1.0	6/26
BAE – Draft Economic Impact Study Completed	1.0	7/5
PMC – ADSEIR Completed/Printed/Submitted	2.0	7/17
City – Review of ADSEIR	4.0	8/14
PMC/BAE – Revisions to Economic Report and ADSEIR	3.0	9/5
City – Review of Revised ADSEIR	2.0	9/18
PMC/City – Final Revision and Review Cycles	2.0	10/2
PMC – Coordinate Printing and Distribution of DSEIR	1.0	10/6
Public and Agency Review Period for DSEIR	6.5	11/20
PMC – Prepare Responses to Comments/Admin. Final SEIR	3.0	12/8
City –Review of Administrative FSEIR	2.0	12/22
PMC/City – Final Revision and Review Cycles	1.0	12/29
PMC – Coordinate Printing and Distribution of FSEIR	1.0	1/5
Planning Commission Hearing ² (min. 10 days from release of FSEIR)	2.0	1/17

¹ This completion date assumes that the City's detailed policy guidance on agricultural mitigation will be issued by mid-June.

² Planning Commission meets on the 2nd and 4th Wednesdays of each month.

FEE ESTIMATE

It is estimated that the total budget to complete the proposed scope of work will be \$60,000. The table below provides a breakdown of this fee estimate by task.

This fee estimate is subject to the notes and assumptions listed below the table. The City will be billed monthly on a time-and-expenses basis. No additional work efforts, outside of this scope of work and/or budget estimate, would be undertaken without the express prior authorization of the City. In order to cover possible future contract amendments which may be necessitated by unforeseen circumstances, it is recommended that an additional 20 percent be held in reserve by the City as a contingency. This would bring the total recommended budget to \$72,000.

TASK	STAFF HOURS/BUDGET	
	Project Manager \$150	Totals
1. Project Startup/Prepare Notice of Preparation	45	
2. Prepare Admin. Draft SEIR	110	
3. Revise ADSEIR	45	
4. Prepare Draft SEIR	33	
5. Prepare Final SEIR/MMRP/CEQA Findings	90	
Meetings and Hearings	40	
Total Hours	363	
Rate	\$150	
Total Labor Cost		\$54,450
Document Printing/Production of CDs		5,000
Misc. Direct Costs (Travel, delivery, etc.)		550
Total Fee Estimate		\$60,000
Contingency (20%)		12,000
Total Recommended Budget		\$72,000

BUDGET NOTES AND ASSUMPTIONS

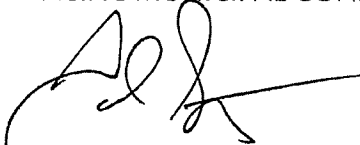
1. Two iterations only of the Administrative Draft EIR Amendments document are contemplated.
2. This proposal includes the evaluation of up to two additional project alternatives, to be identified in consultation with City staff.

3. A total of 60 hours has been budgeted for preparation of the Final EIR Amendments document. If substantial additional efforts are required, such additional efforts could require a contract amendment depending on the unspent budget remaining at the time.
4. Attendance at two meetings with City staff and three public hearings is included.
5. This proposal includes preparation of the draft Notice of Preparation, Notice of Completion, and draft CEQA findings for use by City staff. This proposal does not include preparation, handling or distribution of any other required notices such as notice of scoping meeting, public hearing notices, or Notice of Determination. It is assumed that the City staff will take full responsibility for preparation and timely distribution, posting, and publication of all required notices.
6. This proposal includes delivery of completed documents and CDs to the City, the State Clearinghouse, and the applicant. This proposal does not include distribution of documents to any other agencies, entities or individuals; nor does it include compilation of distribution lists, mailing addresses, or lists of surrounding property owners. It is assumed that the City staff will take full responsibility for all of these tasks.
7. Any additional efforts which may be required in the preparation of the EIR Amendments document, beyond those specifically included in this scope of work, may require a budget adjustment.
8. This scope of work and budget are predicated on the assumption that the preparation and processing of the EIR will proceed expeditiously without prolonged periods of inactivity which could create inefficiencies due to stopping and restarting work.

In closing, we are looking forward to working with you on this project.

Sincerely,

PACIFIC MUNICIPAL CONSULTANTS

A handwritten signature in black ink, appearing to read 'Tad Stearn', with a long horizontal line extending to the right.

Tad Stearn
Principal

c: Bert Verrips, Project Manager
PMC Contracts



February 3, 2006

Mr. Randy Hatch
Community Development Director
City of Lodi
City Hall
21 West Pine Street
P.O. Box 3006
Lodi, CA 95241

Dear Mr. Hatch:

We are pleased to submit the attached scope for an Economic Impacts Analysis for the Lodi Shopping Center proposed for the southwest corner of Lower Sacramento and West Kettleman. Attached are our scope, qualifications for key personnel, and relevant projects.

If you have any other questions regarding our proposed scope of services or any other portion of this proposal please do not hesitate to call me at 510.547.9380.

Best regards,

A handwritten signature in black ink that reads "Raymond Kennedy". The signature is written in a cursive, flowing style.

Raymond Kennedy
Senior Associate

Bay Area Economics

Headquarters 510.547.9380
1285 66th Street fax 510.547.9388
Emeryville, CA 94608 bae1@bae1.com
bayareaeconomics.com

Introduction

The City of Lodi has received an application for the Lodi Shopping Center proposed for the southwest corner of Lower Sacramento and West Kettleman. This center will be anchored by a Wal-Mart Supercenter, with various other ancillary retail and commercial uses. Recent court decisions with respect to large retail projects have indicated that a complete EIR should include an economic impact analysis to assess potential issues of urban decay and physical deterioration due to possible closure of competing stores and subsequent vacancies and decline of their respective shopping centers or downtown. In Lodi, the EIR was completed, but the Superior Court found that the urban decay analysis portion of the EIR was deficient, so a new analysis must be undertaken. Bay Area Economics (BAE) is well-qualified for this work, with experience in these kinds of economic impact studies as well as a large body of retail analysis. Following is a Scope of Services, an overview of BAE, descriptions of key staff to be assigned to this project, and relevant past experience.

Scope of Services

The scope will be completed in the context of the following retail uses for the center as proposed at approximately 350,000 square feet, based on current knowledge of potential tenant mix. BAE will contact the project applicant to obtain the latest available information regarding prospective tenants aside from the known Wal-Mart Supercenter.

1. *Big box general merchandise discount retailer with groceries.* It is assumed that a Wal-Mart Supercenter will be the anchor of the proposed project, occupying well over half the built space.
2. *Pharmacy.* The developers are attempting to attract a drug store such as Rite-Aid or Walgreen's to the project.
3. *Restaurants.* Several of the spaces in the site plan are configured as either fast food or sit-down restaurants.
4. *Other retail and services.* Additional tenants or uses will be noted as information becomes available. Those spaces that cannot be placed in one of the categories above will be considered in a general "other retail" category. The retail analysis will be completed in the context of possibly finding retail categories that are not currently well-represented in Lodi. It is also likely that some of the space will be occupied by personal services, business and professional services, and financial institutions.

Task 1: Start-up Meeting

This project will commence with a meeting with City staff and other parties to discuss the project, including goals and objectives, schedule, expectations, and constraints, opportunities, and limitations of the study. Background information, including but not limited to the project application, site plans, and taxable sales data, and previous studies will also be discussed and made available to BAE if available at time of startup.

Task 2: Identify Key Retail Nodes in Lodi and Surrounding Communities

With assistance from City staff and previous studies, BAE will identify other major retail nodes in the area, focusing primarily on the specific uses listed above, including locating all nearby existing, under construction, and planned Wal-Mart Supercenters. As part of this assessment BAE will also attempt to get reliable information on the square footage of the major competing supermarket outlets; this information should be available from City records, especially for recently built stores. Other potential sources include visual estimates and aerial photos. Additional information will be obtained as available from retail real estate brokers and property managers, and store management. Of particular importance are the existing supermarkets; these are the stores most likely to be impacted by the Wal-Mart expansion and relocation.

This analysis will include an area tour to visit the major competing retail nodes, including downtown Lodi, and to assess “on the ground” how well these nodes are faring, by observing the level of customer traffic, the general level of retail vacancy and the vacancy level in specific centers (especially noting vacancies of large/anchor spaces). Any existing “urban/suburban decay” in retail centers will also be noted. This is key to the findings, since existing conditions should not be attributed to the proposed project. As part of this subtask, BAE will determine whether any additional retail centers are planned for Lodi or surrounding communities, especially Stockton. Any such projects will be considered in an analysis of potential cumulative impacts.

Task 3: Retail Sales Trends

BAE will analyze data regarding overall retail sales trends in these areas, with an emphasis on consideration of the categories of the prototype uses listed above. The primary data source will be published taxable sales data from the State Board of Equalization and the City of Lodi. Especially useful will be any data the City has available on subareas such as downtown. BAE will also look at data from the California Census of Retail Trade, which provides data from 2002. This source is useful in providing total sales data rather than just taxable sales; this is critical to estimating impacts in the supermarket sector, where most sales are not taxable.

Task 4: Define Trade Area for Proposed Project

The Trade Area boundaries will be delineated in large part by the location of nearby Wal-Mart Supercenters, either existing, planned or under construction. The Trade Area for the project will be determined primarily by the location of nearby competing Supercenters. Additionally, preliminary demographic analysis (see next task) will help in defining Trade Area boundaries.

Task 5: Demographic and Economic Overview of Lodi and the Trade Area

Retail sales potential is dictated in large part by the purchasing power of an area’s residents. For this task, BAE will look at basic demographic characteristics for Lodi and the Trade Area, including total population, total households, household composition, age distribution, and resident income, since all these characteristics define the spending patterns for a geography. The analysis will look at historic data and projections, and compare to a larger area, such as California. Data sources will include the decennial U.S. Census, the State Department of

Finance, the City of Lodi, Claritas (a private vendor of population estimates and projections), and the San Joaquin County Council of Governments.

Task 6: Estimate Sales Generated by Lodi and Trade Area

For this subtask, BAE will estimate sales generated by consumers in Lodi and the Trade Area, for a range of store categories, with particular focus on the likely store types for the proposed center. This estimate will be based on population distribution and density and distance of other competing outlets from Lodi and the project site. Potential sales for Lodi will be estimated based on benchmarks from other geographies such as San Joaquin County, the State of California, and communities with a demographic profile similar to Lodi. As a final step in this task, the increase in annual demand will be converted into estimated supportable square footage for major retail categories of stores likely to locate in a retail center of this type, using industry benchmarks for average sales per square foot.

Task 7: Leakage Analysis for Lodi and the Trade Area

Based on the results of the above tasks, BAE will estimate the extent to which Lodi is currently capturing sales from or losing sales to surrounding locales. While the emphasis will be on specific retail types known for the proposed project, leakage of sales in other categories may indicate types of retailers that the project could attract for spaces currently not targeted for a particular niche.

Task 8: Assess Performance of Competing Retail Nodes

While a leakage analysis is critical to understanding the potential for additional retail expenditures in a locale, a complete impacts assessment must take the additional step of evaluating the performance of existing competitive outlets regardless of the leakage analysis. For instance, a city might not have any leakage of sales in supermarkets, but may have an oversupply of supermarkets as indicated by poor performance at existing outlets. Conversely, there might not be any leakage but existing outlets could be performing well above industry norms, indicating that an additional supermarket could be absorbed without putting a competitor out of business.

This analysis will focus on the key competitive categories of large general merchandise outlets and supermarkets and their centers. Synthesizing information gathered on sales performance and store size, BAE will develop an estimate of average sales per square foot for the existing outlets for large general merchandise outlets and supermarkets. These averages can then be compared to industry benchmarks, such as average sales for all Wal-Mart stores or their competitors, data derived from industry surveys, etc.

When possible, this analysis can be refined by looking at individual competitors, since overall strong per store or per square foot sales might mask poor performance at one outlet. Pursuant to this goal, if made available BAE will review confidential taxable sales data from the City for any competitors in the City and use these data to refine the analysis. BAE has used confidential State Board of Equalization sales tax data provided by local jurisdictions in previous studies, and is well-versed in the rules regarding confidentiality and disclosure of the data. As a result

of these rules, sales estimates regarding individual existing stores may be excluded from the published EIR but will be made available to City staff as permitted. If the confidential data is not made available, BAE will use the most recent published taxable sales data available, and attempt to gather data on individual competitors through self-reporting, analysis of each chain's average sales, field observation, or other methods.

When large retail projects like this are built in smaller cities, there is often concern from various parties regarding the effect on downtown, its retailers, and its overall viability. As part of this task, BAE will also assess the performance of downtown Lodi. BAE will inventory the existing mix of retailers in downtown Lodi, and consider downtown's market position vis-à-vis the proposed center.

Task 9: Estimated Potential Sales in New Project and Impacts on Existing Retailers

Based on typical sales performance for the major tenant types or for another standard if that seems appropriate due to locational advantages or other factors, and for a more generic standard for shopping centers for the remaining uses, BAE will estimate sales captured by the proposed project. This will then be compared to potential sales growth and leakage in Lodi and the Trade Area as determined above to factor out sales that will not be captured from existing outlets. This will be done for two points in time, project opening (likely defined as when the Wal-Mart opens) and project build out a few years later. These dates will be selected in consultation with the City and the developer.

The remaining sales will be assumed to be taken from existing outlets. Once the proposed project's impacts are taken into consideration, performance will be evaluated relative to current conditions (as shown by Task 8 above) and again to industry standards, to see how the net loss of sales will affect the existing outlets. To the extent possible without breaching confidentiality rules for taxable sales data, BAE will note particular competitors most likely to be adversely impacted by the proposed project. If the analysis indicates that particular stores are at risk of closure, these stores will be noted. This analysis will look at all the major retail concentrations in Lodi, including downtown.

As the final part of this task, BAE will consider impacts related to the physical context for the major competitors. In other words, BAE will see how the competitors are integrated into a surrounding retail context (e.g., major anchor in a community-serving center or large retailer in a shopping district) and assess likely secondary business impacts due to a decline in business or closure of a major anchor.

Task 10: Determination of Urban Decay and Physical Deterioration

Two conditions are necessary, but not sufficient in themselves, for a large new retail development of this type to lead to urban/suburban decay and physical deterioration. First, the introduction of new competitors must lead to the closure and vacancies of existing retail spaces. Potential closures will be indicated by the analysis in Task 9. Second, the real estate market conditions must be such that the vacated space is not re-leased in a timely manner. Based on

the above tasks, findings will be made about the likelihood that other retail nodes might close or suffer losses of key retail tenants as a result of the proposed center. Impacts might include secondary business closures and moves resulting from the loss of the anchors at other neighborhood and regional centers. This task will include an overview of existing retail real estate conditions in Lodi, including current vacancies and potential for re-tenanting of any store space vacated as a result of the proposed center. BAE will assess the likelihood that overall retail demand in the area will lead to absorption of vacated spaces in the event existing retailers close their stores due to negative impacts from the opening of the proposed center. This assessment will rely on broker interviews and field surveys to estimate current vacancy and absorption trends for retail in Lodi. The current physical condition of the competing retail centers will also be taken into consideration, since any center already exhibiting high vacancies, deferred maintenance, or other signs of decline would be more likely to fall into a condition of urban or suburban decay.

The end result of this analysis will be an assessment, by retail node or center, of the likelihood of resulting urban decay and physical deterioration resulting from long-term vacancies, deferred maintenance, secondary business closures, and the inability to re-tenant existing stores.

Task 11: Preparation of Written Report

A written report for the project will be prepared, which details the assumptions and conclusion of the analysis. The report will meet the requirements of the City of Lodi and CEQA Guidelines and will be initially submitted (one copy, camera ready) as an Administrative Draft. The report will also be provided electronically.

Task 12: Respond to Comments on Administrative Draft

BAE will respond to comments provided by the City of Lodi, the EIR prime consultant, and other parties on the Administrative Draft, and will be available to take part in a telephone conferences to discuss comments on this document. Additional study and site visits are excluded from this task, and the revisions will be limited to two cycles, with additional revisions completed on a time and materials basis. The output of this task will be a Public Review Draft.

Task 13: Respond to Comments on Public Review Draft Economic Impact Analysis

BAE will be available by phone conference with City staff and the EIR prime consultant to discuss public comments, and will prepare responses to those comments as needed as part of the preparation of the Final EIR.

Task 14: Attend Three Planning Commission and/or City Council Public Hearings

As part of this scope, BAE will be available to attend a total of three public hearings regarding its Report and the EIR. Additional meetings will be billed on a time and materials basis as discussed below.

Schedule and Budget

BAE will complete an Administrative Draft by April 15, 2006, assuming verbal approval by February 15, 2006. A Final Draft (for public review) will be completed within 10 business days of receipt of comments on the Administrative Draft. At that point, the schedule will be dictated by the overall EIR process and CEQA rules.

BAE proposes to provide the above-described services on a time and materials basis for a total of \$46,075, including expenses, as shown in the attached budget. BAE will bill on a monthly basis based on percentage of project completed, with bills due within 30 days of receipt. Additional meetings or other tasks will be billed at BAE's hourly rates plus expenses, as follows:

Managing Principal	\$225/hr
Principal	\$210/hr
Vice President	\$190/hr
Senior Associate	\$175/hr
Associate	\$105/hr
Analyst	\$80/hr

These rates are for work completed in 2006; BAE reserves the right to adjust these rates if the project continues beyond the end of calendar year 2006.

BAE carries General Liability Insurance in the amount of \$2 million per occurrence with an aggregate limit of \$4 million, including coverage for automobile liability and completed products. BAE also carries Workman's Compensation as required by law. We are able to provide the City with a Certificate of Insurance naming it as an additional insured on our policy. BAE does not carry Errors and Omissions or Professional Liability Insurance due to the nature of our work, which involves analysis and reporting on economic, planning, and development issues. Most of what we do involves estimates, ranges of numbers, and findings and recommendations that are informational to decision-makers. The results of our work do not create physical structures or other products that bear liability to their users. Although Professional Liability coverage is available for professional services that are similar to ours, we have found that the policies are not written to match exactly with our services, and that the costs are not commensurate with any risk borne by us or our clients.

Budget

Task	BAE Hours			Total Budget
	Janet Smith-Heimer	Raymond Kennedy	Analyst	
	Mng. Principal	Sr. Assoc.		
	\$225	\$175	\$80	
1 Start-up Meeting	-	4	4	\$1,020
2 Identify Key Retail Nodes	-	20	24	5,420
3 Retail Sales Trends	-	6	12	2,010
4 Define Trade Area(s) for Proposed Project	-	6	2	1,210
5 Demographic and Economic Overview of Lodi and the Trade Area	-	4	8	1,340
6 Estimate Sales Generated by Lodi and Trade Area	-	8	4	1,720
7 Leakage Analysis for Lodi and the Trade Area	-	16	-	2,800
8 Assess Performance of Competing Retail Nodes	-	8	16	2,680
9 Estimated Potential Sales in New Project and Impacts on Existing Retailers	-	16	-	2,800
10 Determination of Urban Decay and Physical Deterioration	1	8	6	2,105
11 Preparation of Written Report	2	40	6	7,930
12 Respond to Comments on Administrative Draft	1	20	4	4,045
13 Respond to Comments on Public Review Draft	1	24	4	4,745
14 Attend Two Meetings: Planning Commission and/or City Council	-	30	-	5,250
LABOR	5	210	90	\$45,075
EXPENSES (includes data purchase and mileage)				\$1,000
TOTAL BAE BUDGET				\$46,075

About BAE

Since 1986, BAE has focused on **The Economics of Place™**, providing comprehensive real estate and urban development services to public, private, non-profit, and institutional clients throughout the U.S. Our projects reflect our commitment to excellence, stewardship of communities and resources, and dedication to the future of our places.

BAE's experience ranges from statewide policy studies to regional initiatives to local development projects. Based in Berkeley, California, with additional offices in San Francisco, the Sacramento region, and Washington D.C., we translate the best national practices into local solutions to enhance communities and neighborhoods.

Our expertise includes:

- Development Feasibility
- Redevelopment & Revitalization
- Affordable Housing
- Economic Development
- Public/Private Transactions
- Community Facilities
- Public Finance
- Economic Impacts
- Place and Site Marketing
- Litigation Support

We have also developed unique expertise in non-place aspects of urban development including sustainability, technology transfer, targeted industry studies, child care, and social services.

Our key asset is our highly-skilled core team of staff members who have worked together for many years. Collectively, we bring our training in real estate development, city planning, geography, economic development, marketing, and public policy to every engagement. Many BAE staff members are expert in community involvement and strategic planning, while others excel in technical analysis and the application of GIS to urban problems. We pioneered the use of survey research to target urban housing products, and we have provided real estate advisory services to some of the largest mission-driven revitalization efforts in the U.S.

The outstanding quality of our work has been recognized by the American Planning Association (APA) and the National Association of Installation Developers (NAID) through numerous awards for excellence. The *San Francisco Business Times* has recognized BAE as one of the 100 Largest Women-Owned Bay Area Businesses each year since 2000.

BAE's legal name is BAE Urban Economics, Inc. This project will be undertaken by the Emeryville office, located at 1285 66th Street, Emeryville, CA 94608. Our phone number is (510) 547-9380.

BAE Project Team

This project will be managed by Janet Smith-Heimer, Managing Principal, with day-to-day project management by Raymond Kennedy, Senior Associate, who will be assisted by additional research staff as needed.

Janet Smith-Heimer, M.B.A., Managing Principal

Janet Smith-Heimer manages the Berkeley headquarters office and directs most of its projects. She has specialized in real estate economics and development since 1978. Through her experience, she has gained a unique understanding of urban policy, real estate analysis, and development, and urban policy. She is a nationally recognized expert in affordable housing, economic development, and public/private partnerships.

Since founding BAE in 1986, Ms. Smith-Heimer has managed assignments for some of the largest public/private projects in the U.S. Her work includes transaction structuring and feasibility support for numerous urban projects in San Francisco including Piers 27-31, a mixed-use waterfront recreation and urban entertainment complex; the Old Mint, a historic reuse project; Hotel Vitale, a boutique hotel on publicly-owned land; and the Presidio of San Francisco, one of the world's largest sustainable development project. She has also provided strategic planning, market and financial analysis, and negotiation support to military base reuse projects such as the conversion of Mare Island Naval Shipyard to a mixed-use community.

Ms. Smith-Heimer has directed many economic development strategic planning processes for cities as diverse as a suburban edge (Tracy, CA) to a thriving high income community with a strong new downtown (Walnut Creek, CA). She has also directed numerous downtown and business district revitalization strategies, including work in Oakland, Phoenix, Seattle, San Jose, Chico, Sacramento, and Stockton. Many of these assignments included resident surveys, detailed leakage analyses, retail store trends research, small business technical assistance, and detailed action plans for implementation.

One of Ms. Smith-Heimer's areas of expertise is in housing, including affordable and market-rate project types. She has managed feasibility studies for downtown housing, transit-oriented housing, luxury subdivisions, condominium conversions, and employee housing programs. She has developed in-depth knowledge of elderly housing products, particularly through her work with Transamerica Senior Living, Inc., and has worked on the development of affordable housing, including for-sale units for low-income households, SROs, HOPE VI, and rental projects. She wrote *The California Affordable Housing Cost Study* (1993) as well as numerous policy analyses of affordable and special needs housing programs.

Ms. Smith-Heimer serves as a lead instructor for the ULI Real Estate School, and speaks regularly at U.C. Berkeley. Her publications include "Downtown Housing Market Analysis" (*Market Analysis*, Urban Land Institute, 2001), "From the Military to the Marketplace: An Update on Northern California Base Conversions" (*Urban Land*, 1996), and *Recommended Redevelopment Practices* (California Debt Advisory Commission, 1995).

Ms. Smith-Heimer received an M.B.A. from Golden Gate University and a Bachelor of Urban Planning from the University of Cincinnati. She is a member of ULI, the American Planning Association, and the Congress for New Urbanism. She serves on the board of The Development Fund, a national economic development organization, and as Board Chair of Sustainable Agricultural Education (SAGE), a non-profit devoted to the urban-rural edge.

Raymond Kennedy, M.A., Senior Associate

Mr. Kennedy has completed retail analyses and economic impact studies for many “big box” merchandisers, including proposed projects in Tracy, Antioch, Eureka, Morgan Hill, and Windsor CA and Bozeman, MT. He is currently working on similar impact studies for “big box” retail projects in Porterville, Redding, and Petaluma. This work includes supervising research staff and undertaking the analysis of retail leakage, supportable square footage, and potential economic decay and physical deterioration. Mr. Kennedy has specialized in demographic research, retail market studies, financial analysis, and survey research since joining BAE in 1988. His quantitative work is characterized by a combination of innovative data analysis and sophisticated computer applications. He completed detailed cash flow analyses for military base conversion projects including the Presidio of San Francisco, Mare Island Naval Shipyard, and NAS Alameda, as well as for housing and mixed-use projects in Oakland, San Jose, and California's Central Valley. He has also supported market feasibility studies of live/work units and affordable housing projects throughout the U.S., and analyzed the benefits of redevelopment in San Jose. Mr. Kennedy received a B.A. in Anthropology and an M.A. in Geography from the University of Cincinnati. He also completed specialized training in real estate financial analysis at the University of California, Berkeley.

Relevant Project Experience

These include projects completed by BAE related to big-box and downtown retail development.

Impacts of Proposed New WINCO and Wal-Mart Expansion

City of Tracy, CA

As part of the EIR process for these two proposed projects, BAE is currently analyzing the impacts of a new WINCO and proposed Wal-Mart grocery component on other supermarkets and their shopping centers by analyzing potential supportable grocery sales within the trade area. The final reports for each EIR will include conclusions regarding potential urban decay and physical deterioration related to the opening of these new and expanded outlets.

Impacts of Proposed Bozeman MT Wal-Mart Expansion

Wal-Mart Corporation/City of Bozeman

BAE analyzed the near-term impacts of a proposed Wal-Mart grocery component on other supermarkets by analyzing potential supportable grocery sales within the trade area. Concurrently, the City of Bozeman was considering a moratorium on big box development projects in order to preserve its small town ambiance, perceived to be a major attraction for high technology companies. To address this concern, BAE assessed longer-term impacts of Bozeman's changing retail patterns on high technology firms' interest in the area by interviewing firms regarding their location criteria and concerns about the area's competitive advantages.

Eureka Wal-Mart Economic Impacts Study

City of Eureka

Bay Area Economics evaluated the economic impacts of proposed new "big-box" retail outlets in Eureka (including a proposed Wal-Mart), including the effects on existing retailers in Eureka, impacts on jobs and employment, the potential for increased shopping opportunities for area residents, and fiscal impacts of the proposed project on the City's General Fund.

WinCo Economic Impacts Analysis

City of Antioch, CA

Bay Area Economics assessed a variety of potential impacts resulting from a proposed WinCo project in Antioch. The analysis included a profile of the retail grocery industry and local retail sales trends, and evaluated impacts on the City's fiscal conditions, the availability of grocery items at a variety of outlets, and local employment, including whether local housing is affordable for the proposed project's workers.

Economic Impacts Assessment of New Retail Development

City of Antioch

In response to a developer's proposal to build a 250,000 square foot retail center with a general merchandise retailer, food store and/or a home improvement store as potential anchors, the City of Antioch retained BAE to document existing retail trends in the City and the trade area to be served by the proposed center, and to assess the impact this proposed development would have

on the City's existing retail outlets. The assignment presented demographic and economic trends, trade area retail conditions and trends, and a leakage analysis. It also described overall trends within the retail industry; profiled several major retailers, including Wal-Mart, Target, and Home Depot; and identified strategies small independent retailers typically employ to compete effectively with "big box" retailers like Wal-Mart. The study culminated in an impacts assessment estimating the potential loss in sales that existing stores may experience as a result of new competition, as well as estimating net changes in employment and impacts to the General Fund.

Impact Analysis for Proposed New Shopping Center

City of Morgan Hill, CA

BAE assessed retail market conditions in Morgan Hill as part of the EIR process for this project which as proposed will include a Target, a movie theater complex, and other retail uses. BAE analyzed retail sales leakage and the potential for additional capture of sales in Morgan Hill. The report assessed the potential impacts on existing retail nodes in Morgan Hill, and concluded with an analysis of the potential for urban decay and physical deterioration due to the opening of this project. The Final EIR was approved by the City Council in November 2006.

Retail Impacts Analysis

Town of Windsor

As an outgrowth of BAE's work for the Town of Windsor during its first General Plan process, this assignment examined the impacts on local merchants of a proposed 360,000 square foot regional shopping center anchored by a Wal-Mart store. Work included in-depth analysis of store-by-store retail sales and the mix of goods currently sold in the Windsor trade area.

Larkspur Downtown Specific Plan

City of Larkspur, CA

As part of the Downtown Larkspur Specific Plan, BAE conducted a full market study for retail, residential, and office uses. Work included detailed analysis of store-specific taxable sales and interaction with a Task Force. This project, completed in association with an urban design firm, received the 1992 Comprehensive Planning: Small Jurisdiction Award from the Northern California Section of the American Planning Association.

Chico Downtown Market Study and Revitalization Strategy

City of Chico, CA

Chico, a university town, had experienced substantial sales growth in suburban mall and "big box" development, leading to concerns about downtown economic vitality. This project assessed retail sales volumes and store sales performance, identified special niches, and formulated a revitalization strategy for downtown Chico. The study also analyzed the perceived predominance of adult-oriented entertainment venues and bars, and their negative impacts on the downtown retailing environment.

Downtown Retail Tenant Recruitment

City of Davis, CA

The City of Davis retained BAE to identify target niches and to initiate a downtown recruitment strategy to strengthen downtown's position as the primary retail center for the community and to create a downtown tenant mix of unique independent retailers. BAE analyzed local demographics, developed a list of potential new downtown retailers, contacted a sample of this list, and marketed downtown to prospective businesses.

Downtown Revitalization Market Study

City of Benicia, CA

For this historic community on the San Francisco Bay, BAE worked with the Economic Development Committee to analyze the market potential for various land uses. The area has a strong artist community, as well as numerous specialty retail shops and a one-mile scenic main street terminating at a newly renovated historic depot. Local merchants were focused primarily on strengthening their customer base, and the City was interested in exploring support for an artists' co-op gallery and additional lodging facilities. BAE analyzed retail sales leakage, conducted a telephone resident survey to assess local shopping patterns and opportunities, identified additional stores that could be attracted downtown, interviewed artists and profiled case studies of successful arts co-operative programs, and recommended strategies to ensure that future mixed use development maintained the view corridors and pedestrian orientation.

Lemoore Downtown Specific Plan

City of Lemoore, CA

In association with an urban designer, BAE conducted a detailed market analysis and revitalization strategy as part of the Downtown Specific Plan for this Central Valley community. Our work included estimates of retail sales capturable from a nearby military installation, and re-positioning and promotional strategies. We also identified specific retail stores to target for attraction. This project received the 1994 national *Planning Implementation: Small Jurisdiction Award* from the American Planning Association.

Santa Rosa Core Area Enhancement Strategy

City of Santa Rosa

For this study, BAE completed an inventory of existing uses in Santa Rosa's downtown, extensively utilizing GIS to map the distribution of these uses. BAE also conducted interviews with key stakeholders including retailers, property owners, and city officials, and recommended strategies to enhance the Core Area. The strategies include ways to strength the land use mix, creating a coordinated marketing effort, developing an urban design plan, and creating a "flagship goal/vision" for the Core Area.

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
RESCINDING CERTAIN PLANNING COMMISSION
AND CITY COUNCIL RESOLUTIONS RELATING TO
THE LODI SHOPPING CENTER APPROVALS

=====

WHEREAS, the proposed Lodi Shopping Center is located at the southwest corner of Kettleman Lane and Lower Sacramento Road and is anchored by a Super Wal-Mart and will contain other retail tenants; and

WHEREAS, the Planning Commission and City Council evaluated and certified an Environmental Impact Report (EIR) and approved a Use Permit and Tentative Map for the Lodi Shopping Center; and

WHEREAS, the City of Lodi's certification of the EIR was challenged in Superior Court and on December 19, 2005, the Court found the EIR to be deficient; and

WHEREAS, on February 10, 2006, the Court ordered the City of Lodi to rescind approval of the following Planning Commission and City Council resolutions approving the project:

- a. Planning Commission Resolution 04-64 certifying the EIR 03-01 adopted on December 8, 2004;
- b. Planning Commission Resolution 04-65 approving Use Permit U-02-12 and Tentative Parcel Map 03-P-001 adopted on December 8, 2004;
- c. City Council Resolution 2005-26 certifying the EIR 03-01 adopted on February 3, 2005; and
- d. City Council Resolution 2005-38 approving Use Permit U-02-12 and Tentative Parcel Map 03-P-001 adopted on February 16, 2005.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby rescinds the above-referenced Resolutions pursuant to the Superior Court Order of February 10, 2006 relating to the Lodi Shopping Center.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
AGREEMENTS TO PREPARE ENVIRONMENTAL IMPACT
REPORT AMENDMENTS FOR THE LODI SHOPPING CENTER

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to execute two Agreements to prepare Environmental Impact Report amendments for the Lodi Shopping Center as follows:

- 1) Pacific Municipal Consultants in an amount not to exceed \$72,000
- 2) Bay Area Economics in an amount not to exceed \$46,075

BE IT FURTHER RESOLVED that the above-referenced costs will be paid by the Developer, Browman Development Company.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorization to fill a previously “frozen” Junior/Assistant/Associate Planner position in the Community Development Department

MEETING DATE: May 3, 2006 (Carried over from 4-19-06 Regular Council meeting)

PREPARED BY: City Manager

RECOMMENDED ACTION: Authorize the City Manager to fill, at his discretion, a previously “frozen” Junior/Assistant/Associate Planner position.

BACKGROUND INFORMATION: In order to balance the Fiscal Year 2005-06 budget, and to replenish financial reserves, 29 General Fund positions were either held vacant, “frozen”, or in some cases eliminated.

One of the frozen positions was a Planner in the Community Development Department.

The Planning Division of the Community Development Department is authorized at a staffing level of four positions. As of last month, three positions were filled and the fourth was frozen and vacant. Due to the resignation of Associate Planner Mark Meissner, now two Planner positions are vacant. These two vacant positions are authorized to be filled at the Junior, Assistant, or Associate Planner level, depending upon the qualifications of the applicant.

The work load of the Planning Division has been reviewed and it has been determined that both Planner positions need to be filled at this time. The volume of work has increased and the Division's productivity, taking into account the best efforts of staff, is expected to decline due to the loss of an experienced Planner.

The Community Development Department budget is \$1,964,680, of which \$350,000 is General Fund transfer. The Community Development Department has taken in more funds than originally budgeted and can absorb the additional expense. Additionally, the Community Development Department has saved approximately \$100,000 in salary savings over the course of the fiscal year.

The cost of a fully-burdened (with full benefits) Junior Planner at “A” step is \$6,091 per month. The cost of a fully-burdened Assistant Planner at “A” step is \$6,579 per month. The cost for a fully-burdened Associate Planner at “A” step is \$7,115 per month.

If this action is approved, this will be the second frozen position authorized for funding. A Police Department Lieutenant position was previously unfrozen during mid-year budget review.

FISCAL IMPACT: The range of additional costs is approximately \$6,091 per month to \$7,115 per month. Additional costs will be balanced against Community Development Department revenues and current year salary savings. A fully-staffed Planning Division will allow work to be addressed with a lower paid employee freeing the time of higher compensated employees to focus on more complex issues requiring a greater level of experience and skill.

FUNDING AVAILABLE: Due to salary savings, funds are available in the Community Development Budget.

Ruby Paiste, Interim Finance Director

Blair King, City Manager

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager to Execute Fee Adjustment Agreement for Vintage Oaks Subdivision

MEETING DATE: May 3, 2006 (Carried over from April 19 meeting)

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to execute an impact fee adjustment agreement for Vintage Oaks Subdivision.

BACKGROUND INFORMATION: On November 3, 2004, Council approved Resolution No. 2004-239 which updated development impact mitigation fees. The old fee was \$57,266 per acre and it increased by \$13,475 to \$70,741 per acre, or 24%, effective January 2005, including the regular *Engineering News-Record* update. At that time, following public discussion, the Council provided in the resolution for a window of time for projects with a completed development application to pay the fees at the previous rate provided the fees were actually paid by December 31, 2005.

On September 21, 2005, the City Council approved the Final Map and Improvement Agreement for the Vintage Oaks Subdivision project which included the following language regarding payment of impact fees:

Development Impact Mitigation Fees for water, wastewater, street improvements, storm drain, police, fire, parks and recreation and general city facilities are required for this project. Payment of the fees shall be deferred until the project is ready for acceptance. Acceptance of the public improvements will be contingent upon payment of the deferred fees. The amounts shown in this agreement for these deferred fees are those in effect at the time of execution of this agreement and are subject to revision if not paid prior to January 1, 2006, in conformance with Resolution No. 2004-238, approved by the City Council on November 3, 2004. If the deferred fees are not paid prior to January 1, 2006, the actual fees to be paid will be those in effect at the time of payment. If payment for the deferred fees is made on or after January 1, 2006, this agreement shall in no way limit the City's ability to charge the Developer the fees in effect at the time the Developer pays the deferred fees.

On December 21, 2005, the City Council adopted another resolution effectively eliminating this fee window, providing that "The increased fees in Resolution No. 2004-238 will not apply to any project which has satisfied all elements necessary under California Law to be exempt from increases in impact fees."

On January 31, 2006, the City sent a letter to the Vintage Oaks developers, represented by Mr. Jeffrey Kirst, with an updated invoice for the fees, since the project was nearing completion. The fees increased by \$51,693.07 (from \$249,576.47 to \$301,269.54). Staff's position is that had he contacted us regarding paying the fees in December of 2005, we would have accepted payment at the previous rates.

The developer was well aware of the scheduled increase (he spoke at the Council meeting in 2004), however, he was under the impression he fell within the "window" for the previous fees and is disputing the increase being applied to his project. He has also stated that had he known staff would have

APPROVED: _____
Blair King, City Manager

accepted the fees, they would have been paid in December. Finally, he notes that completion of his project was delayed due to City work on Lower Sacramento Road and related coordination issues.

Due to the communication not being entirely clear and the desire to avoid a formal dispute, we have agreed that splitting the increase in half is a reasonable compromise.

Staff has also made it clear to the developer that waiver of all or part of the fees would require Council approval. If approved, the City Attorney would draft a simple agreement describing the fee reduction for execution by the applicant and the City Manager.

FISCAL IMPACT: Approval would mean losing \$25,846.54 in fee program revenue but avoiding potential, unknown costs to resolve any formal dispute.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

RCP/pmf

cc: Jeffery Kirst, Vintage Oaks L.P.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager and City Attorney to Enter into Negotiations with San Joaquin County for Provision of Domestic Wastewater Treatment Services for County Service Area 31 (Flag City) and Proceed on Necessary Studies

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council authorize the City Manager and City Attorney to enter into negotiations with San Joaquin County for provision of domestic wastewater treatment services for County Service Area 31 (Flag City) and proceed on necessary studies.

BACKGROUND INFORMATION: The City has received the attached letter from San Joaquin County requesting domestic wastewater service for County Service Area 31 (Flag City). This subject has been brought to the City in the past, and the most recent direction from the Council was to bring the item back for further discussion. The County is at the point of making decisions as to how to upgrade this facility to meet regulatory deadlines. Staff's position at this point is that the concept has merit, provided the City's needs are met. One of those needs is the ability of the City to have greater control over land use decisions in this area.

A key reason to consider the County's request is to obtain a method where Lodi can have review and approval authority over new development in the Flag City area. Providing extraterritorial sewer service can give the City the ability to review and limit any proposed new connections. This will give Lodi the power to control both the type and quantity of growth, preventing any further development which could threaten the economic viability of Lodi business (lodging, restaurant, etc.) and/or the greenbelt area anticipated in our General Plan update. The agreement would include the City's sole and absolute discretion in granting (or not) any new service. The City Attorney has identified at least one case where a city has used sewer service outside its city limits to control growth and development (*Dateline Builders v. Santa Rosa* 1983, 146 Cal App 3d 520).

Approval of this request would require an amendment to the Municipal Code, which currently prohibits domestic wastewater treatment service outside the City limits. Staff would propose that the ordinance be amended to allow such service to public agencies only. However, proposing this change would be deferred until a satisfactory service agreement with the County is negotiated.

Some of the points to cover in the agreement are:

- All costs of evaluating impacts (engineering analysis) to the City's facility, processing environmental review and associated staff costs are to be paid by the County.
- Service does not include collection system maintenance.

APPROVED: _____
Blair King, City Manager

Authorize City Manager and City Attorney to Enter into Negotiations with San Joaquin County for Provision of Domestic Wastewater Treatment Services for County Service Area 31 (Flag City) and Proceed on Necessary Studies

May 3, 2006

Page 2

- Service charges would be at standard City rates plus a 50% surcharge. (Note, the charges would be based on actual flow, BOD and suspended solids as currently done for high strength users, as measured at one point of service. The City would bill the County; we would not be billing individual customers.)
- Wastewater Impact Fees (Capacity fees) would be paid, presumably over some time frame since the amount would be substantial (in the millions, however, the engineering impact analysis may provide alternatives that could reduce the capacity impacts and associated costs).
- The service area is to be limited to the existing established service area and to current approved land use. Any change to either would require approval by the City.
- The agreement should address review and approval authority over new development. (However, much of the existing service area is built-out.)
- The agreement should address possible tax sharing.

FISCAL IMPACT: Depending on actual flow and strength, the surcharge revenue to the General Fund would be on the order of \$100,000 per year.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

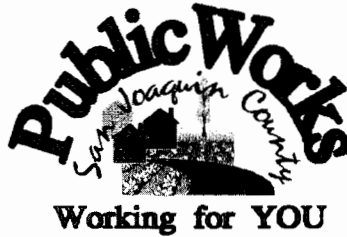
RCP/pmf

Attachment

cc: Randy Hatch, Community Development Director
Tom Flinn, San Joaquin County Public Works Director



THOMAS R. FLINN
DIRECTOR



P. O. BOX 1810 - 1810 E. HAZELTON AVENUE
STOCKTON, CALIFORNIA 95201-3018
(209) 468-3000 FAX (209) 468-2999
www.sjgov.org

THOMAS M. GAU
DEPUTY DIRECTOR

MANUEL SOLORIO
DEPUTY DIRECTOR

STEVEN WINKLER
DEPUTY DIRECTOR

ROGER JANES
BUSINESS ADMINISTRATOR

Board of Supervisors
Courthouse, Room 701
Stockton, California 95202

December 1, 2005

**APPROVAL OF A FORMAL REQUEST FOR
SEWER SERVICE FROM THE CITY OF LODI
ON BEHALF OF COUNTY SERVICE AREA NO. 31 - FLAG CITY**

Dear Board Members:

IT IS RECOMMENDED:

That the Board of Supervisors, by Board Order:

1. Authorize and direct the Chairman of the Board to sign a letter formally requesting sewer service from the City of Lodi, on behalf of County Service Area No. 31 - Flag City.
2. Authorize Public Works staff, in collaboration with the County Administrator and County Counsel's offices, to work with City of Lodi staff to develop potential terms and conditions for a sewer service agreement.

REASONS FOR RECOMMENDATIONS:

County Service Area No. 31 (CSA 31) was formed in 1981 to provide sewer, domestic water, storm drainage, and street lighting services to the development currently known as Flag City. This highway services development is located on the east side of Interstate 5 at its intersection with State Highway Route 12. The Flag City development is served by a self-contained sewer treatment plant, sized to serve the current 80 acres within the service area boundary. This was permitted and constructed by the Flag City developers and subsequently accepted by the County in 1995. In 2003, the State Regional Water Quality Control Board added significant new regulatory requirements to the treatment plant's surface water discharge permit. The new provisions require interim monitoring and instrumentation upgrades, which are currently being constructed, and major treatment and discharge upgrades to continue operating beyond 2007.

In exploring potential treatment options to meet the 2008 regulatory requirements, it became evident that a partnership with the City of Lodi would be the most desirable option, if mutually acceptable terms could be agreed upon. The City of Lodi's White Slough treatment facility is located approximately 1.5 miles to the south of Flag City.

Board of Supervisors - 2 -
APPROVAL OF A FORMAL REQUEST FOR
SEWER SERVICE FROM THE CITY OF LODI
ON BEHALF OF CSA NO. 31 - FLAG CITY

To determine the willingness of Lodi to consider providing sewer services to CSA 31, Public Works staff made a presentation to the Lodi City Council on October 19, 2004, requesting consideration of this concept. Various concerns were expressed by Council members; but there was also support for further consideration at a later date, once pending sewer and water rate revisions were adopted and issues regarding the City's on-going litigation for groundwater contamination were resolved.

At a recent meeting with the Lodi City Manager and Public Works Director, it was agreed that timing was suitable for consideration of a formal request by the County for sewer service. Time is of the essence in determining whether a sewer service agreement with the City of Lodi is feasible, as development of the other options will require further engineering and environmental studies and approval by various regulatory agencies.

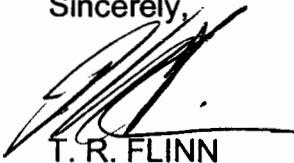
FISCAL IMPACT:

There is no fiscal impact, other than staff time, involved in the current recommendation. However, developing a timely and cost-effective approach to meeting the regulatory requirements placed upon the CSA 31 sewer treatment plant is critical to the commercial viability of the Flag City development. Determining the feasibility of the additional treatment alternatives will entail the initiation of costly engineering, environmental and property acquisition studies.

ACTION FOLLOWING APPROVAL:

A letter signed by the Chairman of the Board will be sent to the City of Lodi, formally requesting sewer service consideration for County Service Area 31. If accepted, Public Works staff will work with City of Lodi staff to develop potential terms and conditions for a formal sewer service agreement suitable for consideration by the respective agencies.

Sincerely,

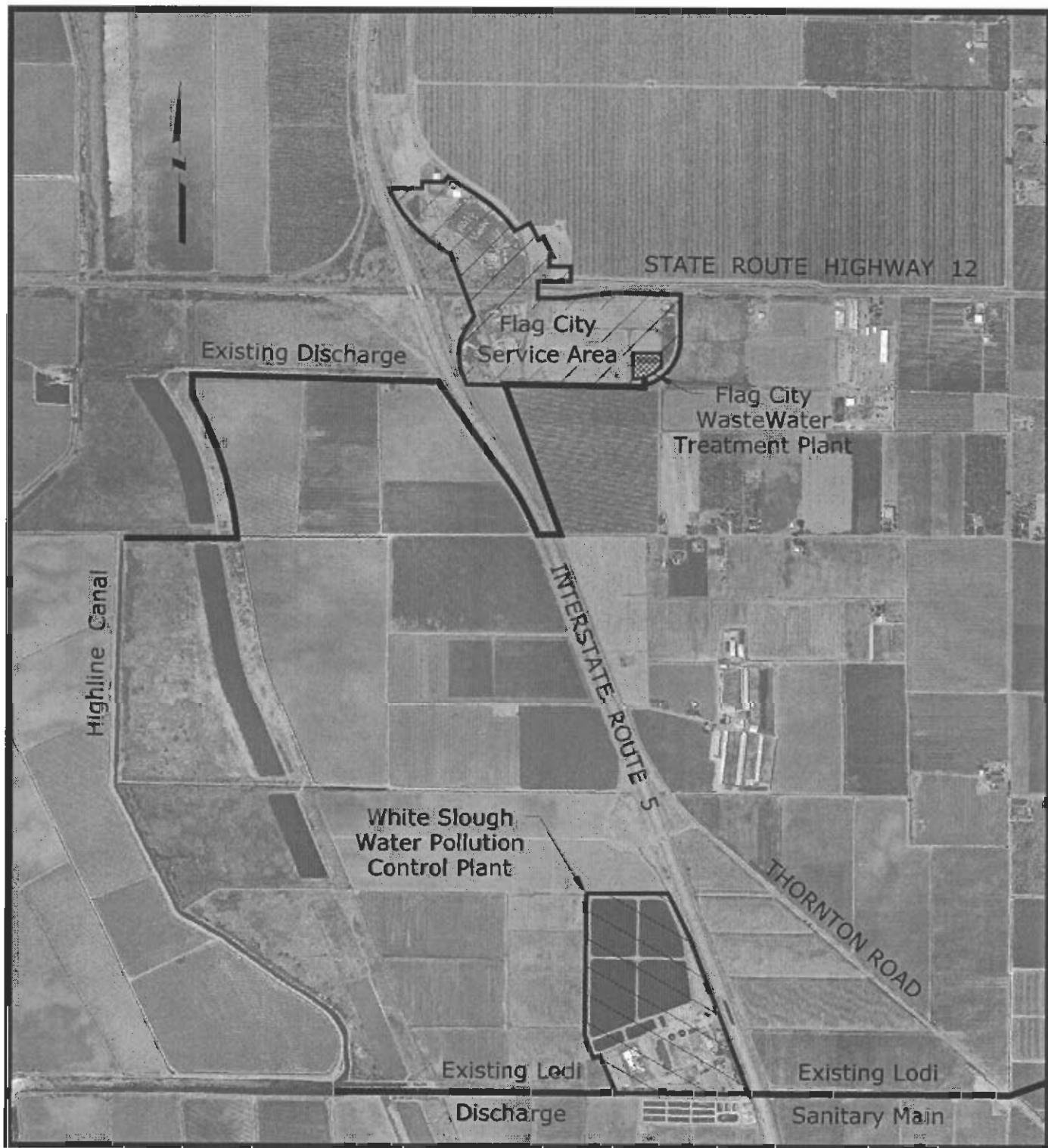


T. R. FLINN
Director of Public Works

TRF:SW:rc
UM-5K112-R2

c: Mr. Blair King, Lodi City Manager

Board Clerk
December 13, 2005



VICINITY MAP
CSA NO. 31 – FLAG CITY

NO SCALE

DATE: DECEMBER 2005

COUNTY OF SAN JOAQUIN



LOIS M. SAHYOUN
Clerk of the Board

BOARD OF SUPERVISORS

222 EAST WEBER AVENUE, ROOM 701
STOCKTON, CALIFORNIA 95202
TELEPHONE: 209/468-3113
FAX: 209/468-3694

DEC 30 2005
STEVEN G. GARCIA
Chairman
First District
CITY MANAGER'S OFFICE

DARIO MARENCO
Vice Chairman
Second District

VICTOR MOW
Third District

JACK A. SIEGLOCK
Fourth District

LEROY ORNELLAS
Fifth District

December 13, 2005

Mr. Blair King, City Manager
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

SUBJECT: PROVISION OF SEWER TREATMENT SERVICES TO
COUNTY SERVICE AREA 31 – FLAG CITY

Dear Mr. King:

On behalf of County Service Area 31 (CSA 31), please consider this a formal request by the County to receive sewer treatment services from the City of Lodi. CSA 31 is facing stringent deadlines to implement costly sewer treatment plant upgrades within the next two years, unless a suitable treatment alternative is developed. Given the close proximity of this 80-acre development to Lodi's White Slough treatment plant, it provides an opportunity to develop a mutually beneficial partnership.

The concept of providing sewer service to CSA 31 was previously presented to the Lodi City Council on October 19, 2004. At that time a constructive discussion was held regarding potential opportunities and concerns associated with the proposal. The final conclusion was that the County's request should be brought back for further consideration after Lodi completed its water and sewer capacity and rate studies, and progress was made on the City's groundwater contamination litigation.

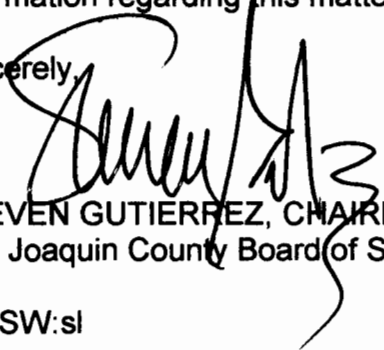
Our staff has informed me that the sewer effluent from Flag City, upon build-out of the current service area, should have a relatively insignificant impact on the Lodi treatment plant's overall capacity (less than 2 percent). Among other benefits, a sewer service agreement could provide a revenue source to help Lodi fund recent and pending upgrades to its treatment plant, through one-time connection and on-going treatment fees.

Mr. Blair King
Page Two
Provision of Sewer Treatment Services
To County Service Area 31 – Flag City

We recognize that this request may raise some policy concerns for the City, but feel the potential mutual benefits warrant further consideration. Our Public Works staff would be happy to meet with City staff or provide additional information to assist the City in considering this request.

In closing, I request that this item be presented for consideration by the City Council in the near future, and that we be advised of the proposed agenda date. We look forward to this partnership opportunity with Lodi and thank you in advance for your assistance. Please contact Thomas Flinn, Director of Public Works, at 468-3100 should you desire specific information regarding this matter.

Sincerely,



STEVEN GUTIERREZ, CHAIRMAN
San Joaquin County Board of Supervisors

SG:SW:sl

c: Manuel Lopez, County Administrator
T. R. Flinn, Director of Public Works



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Artwork for Elevated Water Tank and Appropriating Funds for Artwork Application (\$30,000)

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving the water tank artwork and appropriating funds in accordance with the recommendation shown below.

BACKGROUND INFORMATION: The City has contracted with Redwood Painting Company, of Pittsburg, to paint the exterior of the City's elevated water tank located at 122 North Main Street. Part of the painting contract is for the contractor to apply two logos on the exterior surface of the tank related to the Lodi Centennial celebration in 2006.

On March 21, 2006, the Public Art Advisory Board selected the artwork from seven submittals. The selected artwork was submitted by Rick Cardinio, Jr., of Lodi. The artwork was selected based on artistic look, appropriate theme for the City of Lodi, and ease of application. The estimated cost of the artwork, as of April 20, 2006, is \$30,000 (\$14,000 for color bands, estimated \$6,000 for the three vinyl logos, estimated \$6,150 for the vinyl logo application, and \$3,750 for the artist work). The artwork will be a combination of paint and self-adhering vinyl and will be applied at three symmetrical locations around the water tank.

The original bid of \$9,000 in the contract with Redwood Painting Company was for a typical two-color logo. Since the final artwork is more complicated than a typical logo, staff feels the quote for the artwork application is reasonable.

FISCAL IMPACT: The expected service life of the artwork is ten years, whereas the tank coating should last approximately ten to fifteen years. Therefore, the City should anticipate similar costs associated with maintaining the tank surface every ten to fifteen years.

FUNDING AVAILABLE: Requested Appropriation: Art in Public Places (\$30,000)

Ruby Paiste, Interim Finance Director

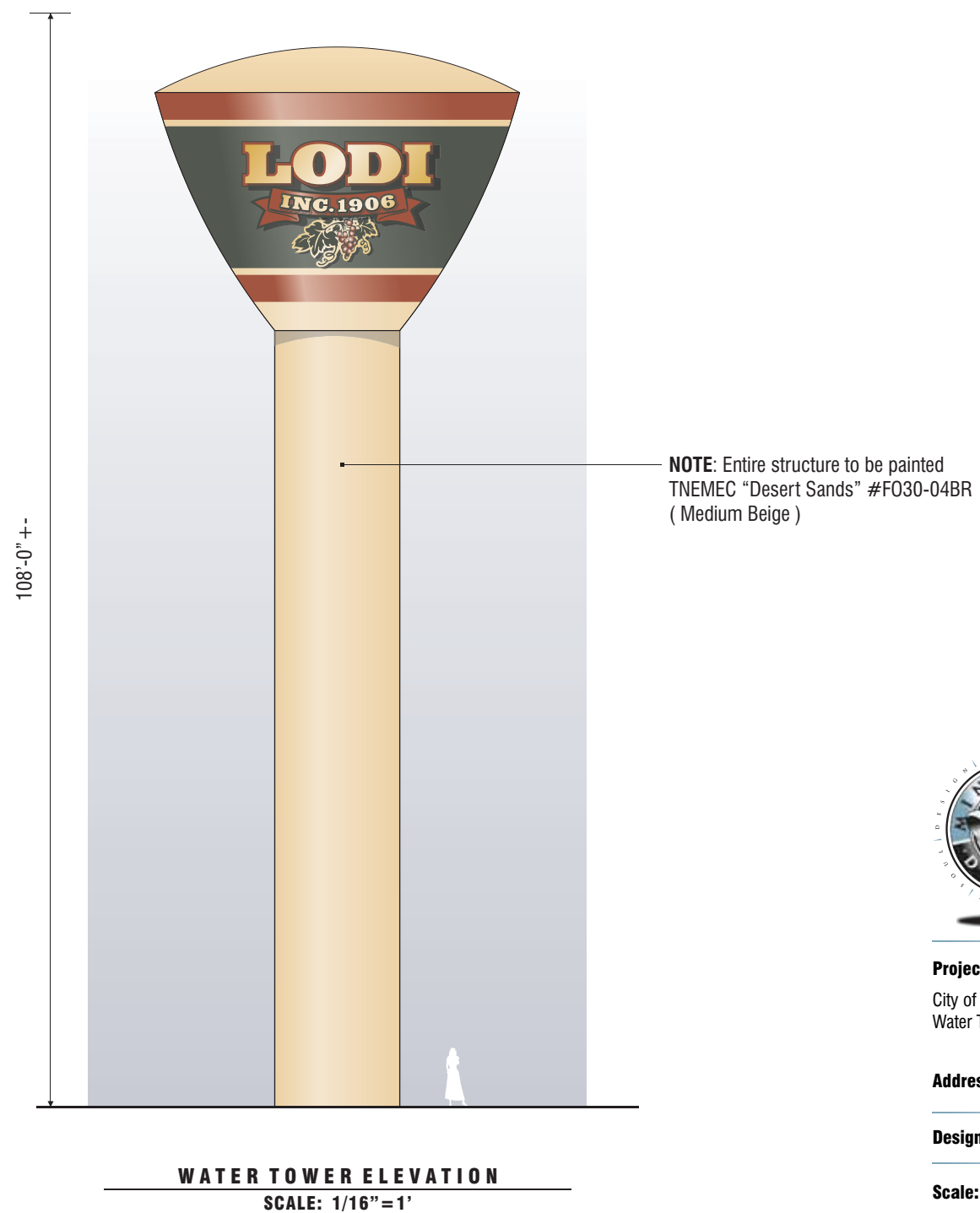
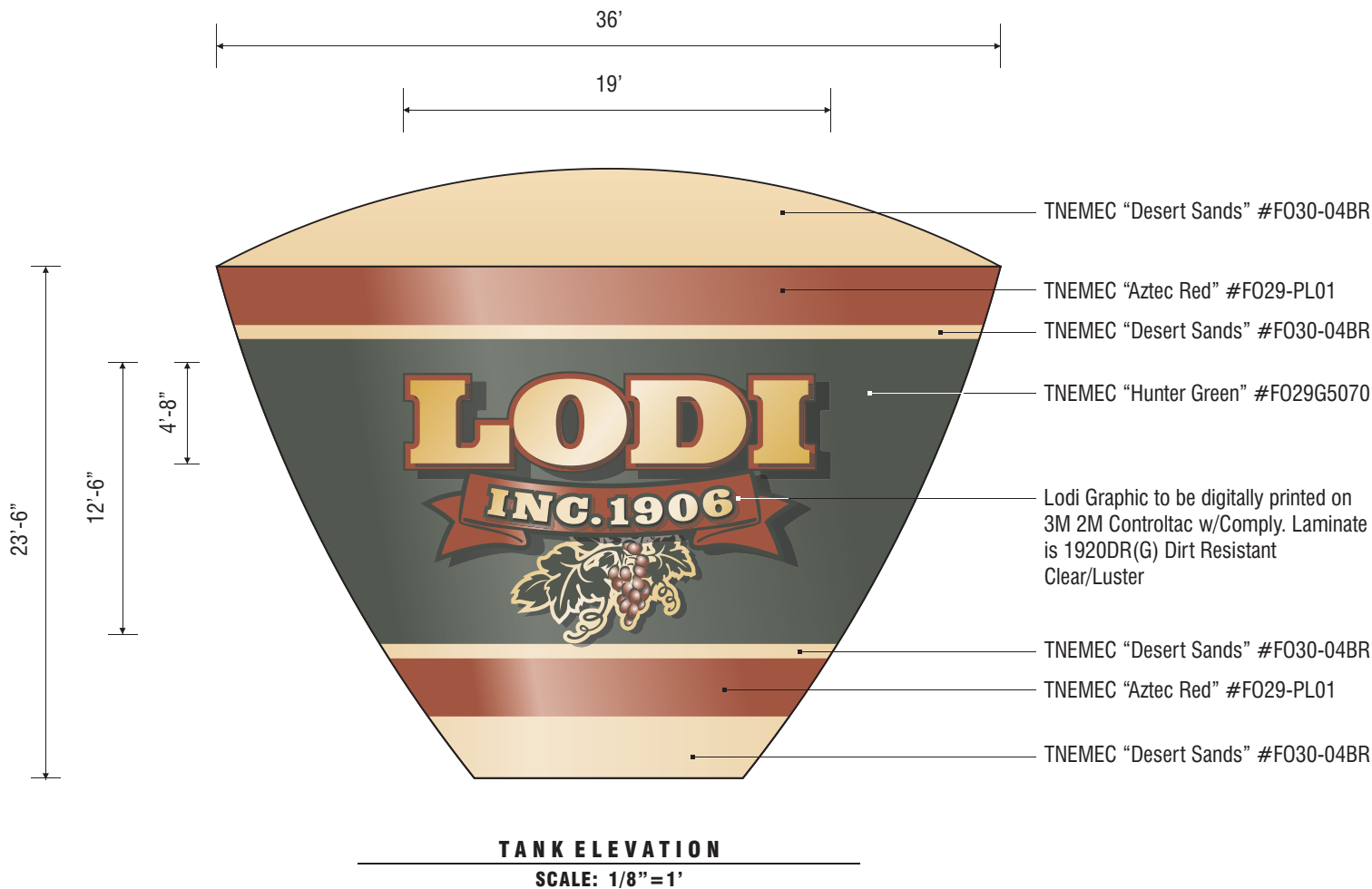
Richard C. Prima, Jr.
Public Works Director

Prepared by Lyman Chang, Associate Civil Engineer
RCP/LC/pmf

cc: Joel Harris, Purchasing Officer
Rebecca Areida, Management Analyst
Steve Baker, Interim Community Center Director

Frank Beeler, Assistant Water/Wastewater Superintendent
Lyman Chang, Associate Civil Engineer

APPROVED: _____
Blair King, City Manager



Project:
City of Lodi
Water Tower Project

Address: Lodi,CA

Designer: Rick Cardinno Jr.

Scale: AS NOTED

Date: 1.25.2006

Page: 1 of 1

Revisions:
2.15.2006 Design 3rd Option
3.15.2006 Eliminate "City of" Chg. Letterstyle
Re-design graphic
4.12.2006 Reduce graphic size to 19' OAL
4.26.2006 Add color call-outs

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING ARTWORK FOR THE ELEVATED
WATER TANK AND APPROPRIATING FUNDS
FOR ARTWORK APPLICATION

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby
approves the Artwork for the Elevated Water Tank; and

BE IT FURTHER RESOLVED, that the Lodi City Council hereby appropriates
\$30,000 from the "Arts in Public Places" fund for this project.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted
by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the
following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the City Manager: to cancel the original plan of reconstructing Killelea Substation and installing two 60kV power circuit breakers at Industrial Substation; to implement a Scaled-Back rehabilitation project of Killelea Substation; to have Power Engineers, Inc. of Hailey, ID re-scope, engineer and design the Scaled-Back project; and to negotiate necessary amendments to the project's construction agreement with Rosendin Electric, Inc. of San Jose, CA (\$3,478,444) (EUD)

MEETING DATE: May 3, 2006

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to implement the following:

1. To cancel the original plan of demolishing and reconstructing the Killelea Substation facility and installing two 60kV power circuit breakers (PB) at Industrial Substation;
2. To have Power Engineers, Inc. (Power) of Hailey, ID re-scope, re-engineer and re-design the conceptual Scaled-Back project for Killelea Substation; and,
3. To negotiate the construction of this Scaled-Back project with Rosendin Electric, Inc. (Rosendin) of San Jose, CA.

BACKGROUND INFORMATION: The original project titled 'Reconstruction of Killelea Substation and 60kV PCB Addition at Industrial Substation' was divided into two parts: the construction work in the substations and the procurement of two (2) power transformers. This project was conceived to enhance system reliability since key Killelea substation equipment is more than 35 years old and reaching its useful life. On August 3, 2005, the City Council authorized the advertisement for bid for this project and continued with the bidding process.

The City Council approved the award of construction work to Rosendin on December 21, 2005. The contract signing process was initiated and halted by the Electric Utility Department in February 2006 to allow the new Electric Utility Director to review the efficacy of the planned project and to explore lower cost alternatives to a full reconstruction.

Consequently, the reconstruction of Killelea Substation and the addition of 60kV PCB at Industrial Substation were re-evaluated and analyzed. A Scaled-Back Project for Killelea Substation plan was conceptualized. This Scaled-Back Project includes a majority of the original project features without the 60kV structure and power equipment, utilizing the two (2) existing power transformers, and installing a new indoor-type 12kV switchgear in a new control building.

The cost of the original full reconstruction of Killelea Substation is estimated to be approximately \$6.4 million. A Scaled-Back Project is estimated to cost just over \$3.4 million – a cost savings of almost \$3 million. Staff believes that the lower cost version of the substation rehabilitation will provide the preponderance of the reliability benefits of a full-scale project. The near term value of the addition of two 60 kV circuit breakers at the Industrial Substation is slight and deferral is recommended.

APPROVED: _____
Blair King, City Manager

Authorize the City Manager: to cancel the original plan of reconstructing Killelea Substation and installing two 60kV power circuit breakers at Industrial Substation; to implement a Scaled-Back rehabilitation project of Killelea Substation; to have Power Engineers, Inc. of Hailey, ID re-scope, engineer and design the Scaled-Back project; and to negotiate necessary amendments to the project's construction agreement with Rosendin Electric, Inc. of San Jose, CA (\$3,478,444) (EUD)
May 3, 2006
Page 2 of 2

Although no contract was executed with Rosendin, staff found they began work on the project (hiring subcontractors, ordering equipment, etc.) shortly after City Council approval of the project on December 21, 2005. Notwithstanding this fact, Rosendin has been cooperative and supportive in assisting in the evaluation of a scaled back project. They obtained cost information from their suppliers and subcontractors relative to the original project (considering current stage of project work) and provided a cost estimate of the Scaled-Back Project to assist the City in its evaluation.

As noted in the recommendation section of this Council Communication, pursuit of the scaled-back substation rehabilitation project would entail three steps:

1. Formal notice of original project cancellation,
2. Detailed redesign of the scaled-back work, and
3. Development of revised work scope and business arrangement with the project construction manager (Rosendin).

Regarding development of a new scope of work, engineering, design, plans and specifications for the Scaled-Back Project, it would be most efficient to have Power Engineers, Inc. (who provide the engineering services for the original project) do this work. EUD presently has an existing professional services contract with Power Engineers for which a sufficient balance on the contract remains to complete this work.

With the Scaled-Back Project, we still need to acquire the Perlegos' property for the placement of the new control building with the indoor, 12kV switchgear, remote terminal unit, security and alarm systems, communication equipment, panel boards and other control and power equipment. The acquisition of the property was approved by the City Council in August 21, 2002 as per Resolution No. 2002-178. The City Attorney's office is engaged in negotiating with the property owner's attorney for the acquisition of the property. City Council approval will be sought regarding the cost of acquisition. (For information, the acquisition process for the house was stayed until recent reinitiation by EUD of this project. Acquisition is expected to be completed in a timely manner.)

While EUD's recommendation to not pursue a full reconstruction of Killelea Substation (and add two 60 kV circuit breakers at Industrial) may be a bit cumbersome at this late date, EUD believes this is a prudent course of action given the utility's weakened financial condition and to retain some bond proceeds for other projects.

FISCAL IMPACT: The cost saving of approximately \$3 million was calculated based on the original total project cost of \$6,438,147 and the \$3,478,444 estimated cost of implementing the Scaled-Back project. The project was scheduled and listed as a bond project. There is no change in the April 2007 estimated completion date.

FUNDING AVAILABLE: Sufficient bond proceeds remain in account 161677 to complete the scaled back project.

Ruby Paiste, Interim Finance Director

George F. Morrow
Electric Utility Director

PREPARED BY: Demy Bucaneg, Jr., P.E., Senior Power Engineer

GFM/DB/lst
Attachments
cc: City Attorney

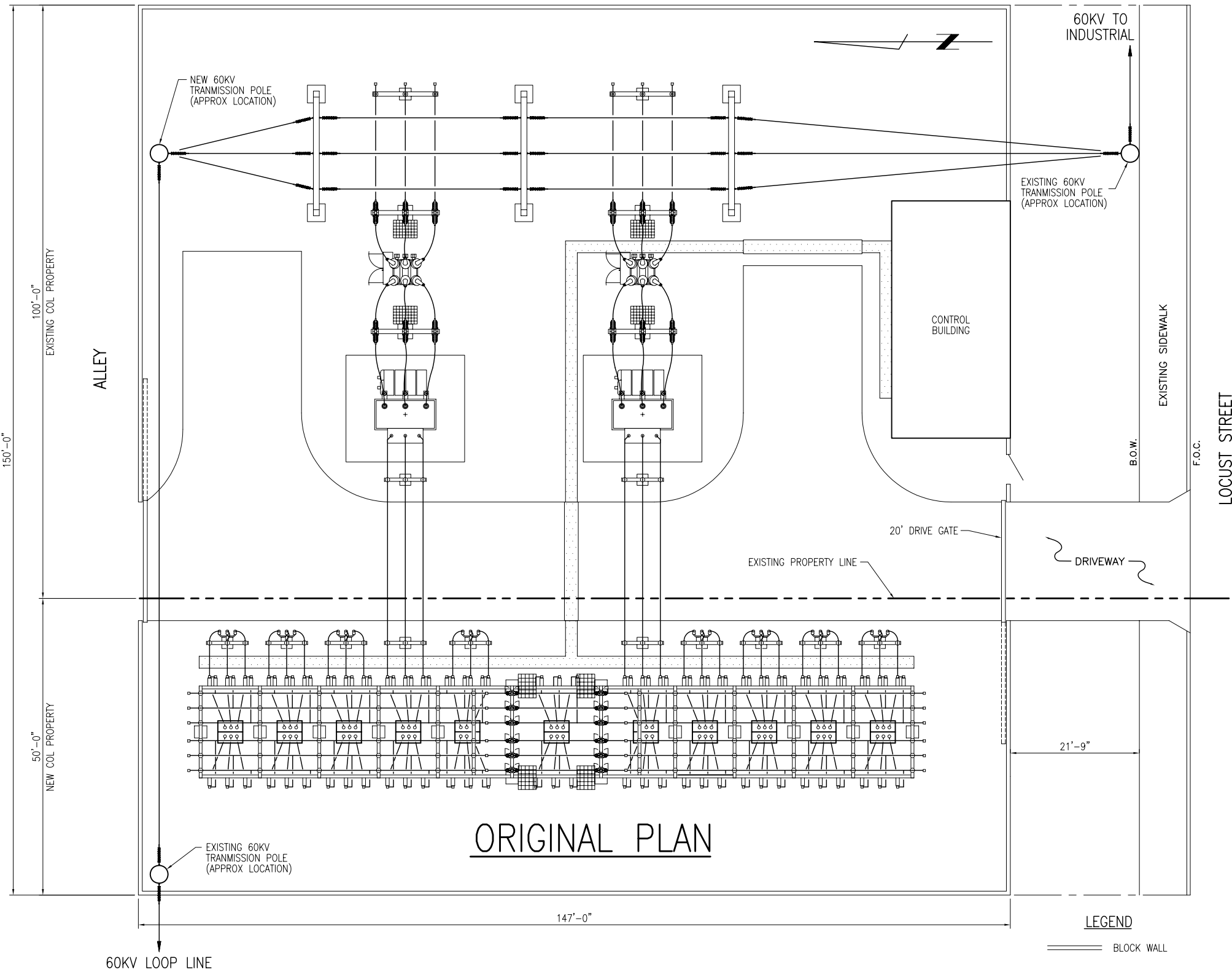
Exhibit A

Killelea S/S Reconstruction & Industrial S/S 60kV PCB Addition Project

Date: 24-Apr-06

<u>Construction Units</u>	<u>Original Project</u>	<u>Scaled-Back Project</u> <u>Estimated Cost</u>	
Engineering & Design	\$ 61,350.00	\$ 61,350.00	
Killelea Substation	\$ 3,896,304.00	\$ 2,686,337.00	
Industrial Substation	\$ 335,570.00	\$ -	
Property Acquisition	\$ 230,000.00	\$ 230,000.00	
Hazardous Material Test & Survey	\$ 7,200.00	\$ 7,200.00	
Construction Management	\$ 420,000.00	\$ 186,667.00	
Power Transformers	\$ 1,335,023.00	\$ -	
Test & Commissioning	\$ 152,700.00	\$ 106,890.00	
Cost of Uncancellable Orders	\$ -	\$ 200,000.00	<i>Note 1</i>
Totals =	\$ 6,438,147.00	\$ 3,478,444.00	
	Projected Savings =	\$ <u>2,959,703.00</u>	

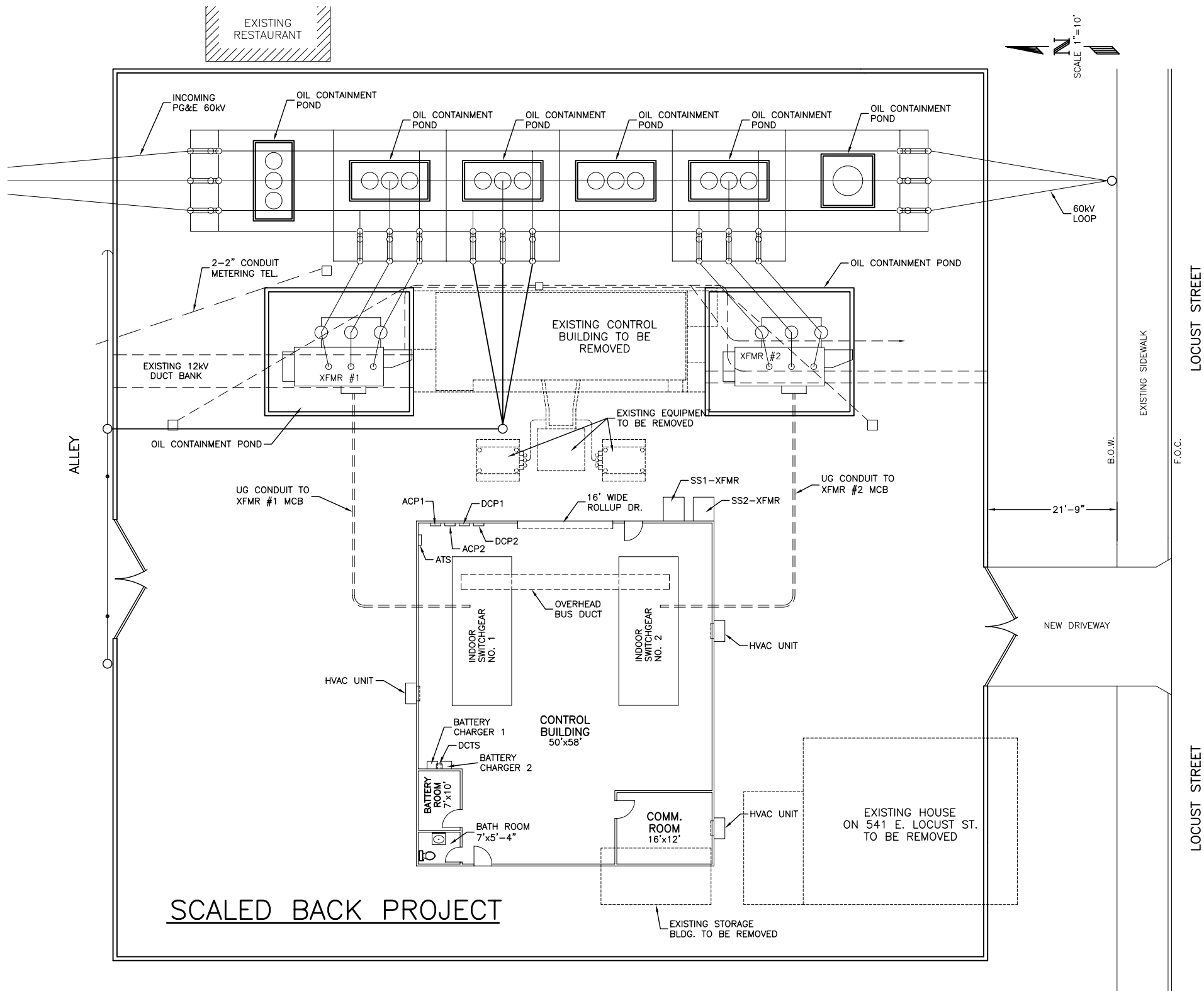
Note 1 - Cost of uncancellable orders may increase after April 30, 2006.



ORIGINAL PLAN

LEGEND

==== BLOCK WALL



SCALED BACK PROJECT

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO CANCEL THE ORIGINAL PLAN FOR KILLELEA SUBSTATION FACILITY AND THE INSTALLATION OF TWO 60Kv POWER CIRCUIT BREAKERS AT INDUSTRIAL SUBSTATION; TO IMPLEMENT A "SCALED-BACK" REHABILITATION PROJECT OF KILLELEA SUBSTATION; TO HAVE POWER ENGINEERS, INC., OF HAILEY, ID RE-SCOPE, ENGINEER AND DESIGN THE "SCALED-BACK" PROJECT; AND TO NEGOTIATE NECESSARY AMENDMENTS TO THE PROJECT'S CONSTRUCTION AGREEMENT WITH ROSENDIN ELECTRIC, INC.

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to take the following actions in regards to the Killelea Substation project:

1. To cancel the original plan of demolishing and reconstructing the entire Killelea Substation facility and installing two 60kV power circuit breaker (PB) at Industrial Substation;
2. To have Power Engineers, Inc. (Power) of Hailey, ID re-scope, re-engineer and re-design the conceptual 'Scaled-Back' project for Killelea Substation; and,
3. To negotiate the construction of this 'Scaled-Back' project with Rosendin Electric, Inc. (Rosendin) of San Jose, CA.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____



CITY OF LODI

COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive information regarding transfer of funds to the Electric Utility Capital Outlay Fund 161 (\$2,000,000) (EUD)

MEETING DATE: May 3, 2006

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council receive information regarding the transfer of funds to the Electric Utility Capital Outlay Fund 161 in the amount of \$2,000,000.

BACKGROUND INFORMATION: As discussed with the City Council on prior occasions, the Electric Utility's (EU) present financial condition is extremely weak. As of April 21, 2006, the electric utility's cash balance was \$1,146,923.

Cash balances (excluding the amounts held by the Northern California Power Agency (NCPA) fluctuate based on receipts and the timing of critical payments. It has dipped as low as -\$257,970 during recent periods.

Current projections indicate that the utility will have little or no cash balance at fiscal year-end assuming no extraordinary cash infusions or significant changes in forecasted costs and/or revenues. The City Manager is authorized to utilize bond proceeds for any projects identified in the bond indenture documents approved by the City Council at the time bonds were issued. During the course of fiscal year 2005-06, the Electric Utility has expended approximately \$1.3 million (and may expend up to \$2.0 million by June 30, 2006) on the type of authorized projects as enumerated in the bond indenture documents. It was anticipated that operating cash balances would be used for the projects worked on by the Electric Utility in this fiscal year with little (if any) need for the use of bond proceeds for these projects. Due to the strain on operating cash balances from escalating power costs, operating cash will not be sufficient to pay for these projects and bond proceeds will be needed instead. Therefore, City Council is being apprised by this agenda item of the intent of staff to utilize approximately \$2.0 million of bond proceeds for the reimbursement of projects as previously authorized in the Bond indenture documents for the purposes as enumerated in those documents.

Attached is a listing of qualified capital-type expenditures through February 28, 2006 and a projection for fiscal year-end. The current balance in the electric bond proceeds account is \$11,772,688.

FISCAL IMPACT: Improve the Electric Utility Department fund balance.

FUNDING: Electric System Revenue Certificates of Participation Series A & B 2002 \$2,000,000.

Ruby Paiste, Interim Finance Director

George F. Morrow
Electric Utility Director

Prepared By: Stacy Olson, Electric Utility Rate Analyst
GFM/SO/lst
cc: City Attorney
Deputy City Manager

APPROVED: _____
Blair King, City Manager

**FY 2005-2006
Capital Expenditures**

BSU No.	Description	Actual (YTD Feb 2006)	Projected (March-June 2006)	FYE 05-06 Total
161633	StreetlightSafety Improvement	\$ 42,880.00	\$ 21,440.00	\$ 64,320.00
161651	Line Extensions	\$ 323,440.00	\$ 161,720.00	\$ 485,160.00
161652	Distribution System Improvement	\$ 154,231.00	\$ 57,500.00	\$ 211,731.00
161653	Service Connections	\$ 157,121.00	\$ 39,280.25	\$ 196,401.25
161654	Dusk to Dawn Lighting	\$ 3,721.00	\$ 1,860.50	\$ 5,581.50
161655	Substructures	\$ 60,545.00	\$ 30,272.50	\$ 90,817.50
161656	Service Connections (metering)	\$ 89,987.00	\$ 28,266.67	\$ 118,253.67
161657	Substation Construction, High Voltage	\$ 2,101.00	\$ -	\$ 2,101.00
161669	Substation Block Wall-Henning	\$ 4,362.00	\$ 65,138.00	\$ 69,500.00
161672	Streetlight Improvements	\$ 37,279.00	\$ -	\$ 37,279.00
161674	Streetlight Standards Upgrade	\$ 32,896.00	\$ 16,448.00	\$ 49,344.00
161677	Killelea Substation Construction	\$ 79,440.00	\$ 298,200.00	\$ 377,640.00
161679	Operations Center Modification	\$ 1,772.00	\$ -	\$ 1,772.00
161680	60kV Line Industrial S/S, High Voltage	\$ 37,931.00	\$ -	\$ 37,931.00
161685	Fiber Optic	\$ 206,915.00	\$ 15,840.00	\$ 222,755.00
	FY 05-06 Utility Outlay Fund Total	\$ 1,234,621.00	\$ 735,965.92	\$ 1,970,586.92



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Task Order with Treadwell & Rollo for PCE Central Plume Remediation Phase 1 Dual Phase (Soil Vapor and Groundwater) Extraction Project (\$302,000) and Revising Hourly Rates

MEETING DATE: May 3, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute a task order with Treadwell & Rollo for PCE Central Plume Remediation Phase 1 Dual Phase (Soil Vapor and Groundwater) Extraction Project in the amount of \$302,000 and revising hourly rates.

BACKGROUND INFORMATION: The initial PCE remediation work on the Central Plume has started with the City, through its consultants, Treadwell & Rollo, operating the Soil Vapor Extraction (SVE) located in the alley south of Pine Street, between Church Street and Pleasant Avenue ("the Alley"). This system was installed as a pilot project by the Guild defendants and was turned over to the City as part of the settlement agreement. This system reduces PCE levels in soil and protects indoor air in adjacent buildings from vapor contamination where the soil levels are high in the source area. However, the system needs to be expanded, both to remove vapors in the west end of the Alley and assist in deeper soil remediation further south.

Groundwater in the source area also needs to have high levels of PCE removed. The plan to date has been to expand the SVE system and install groundwater extraction wells with centralized treatment units. Treadwell & Rollo believes that a combined approach - called dual phase extraction - will be more cost effective than separate systems. Very simply, this approach uses one well connected to a water pump and a vacuum pump to accomplish both tasks. One advantage to this system is that as the water level in the well is lowered by the pump, additional soil area is exposed to the vacuum pump and additional PCE is removed more effectively than if it was in water.

The proposed scope of work includes design and installation of one such well to verify the design criteria and cost estimates prior to installing a full system. (See attached letter from Treadwell & Rollo.) This work would be done as a separate Task under the terms of the Master Agreement between the City and Treadwell & Rollo. The earlier task order for the SVE system modifications will be closed.

In addition, Treadwell & Rollo has requested that the Master Agreement, first entered into in 2004 be revised to update some of the hourly rates. The initial agreement included reduced rates for the principal staff involved in the City's work. Now that much of the work is moving into the design and operations stage, staff is comfortable with adjusting these rates.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: The cost of this work will be paid from the Central Plume settlement fund. The work has the potential to reduce costs for future work, although the exact amount is unknown at this time and will be estimated as part of this work.

FUNDING AVAILABLE: \$302,000 – Central Plume Settlement Fund; less amount corresponding to uncompleted work in the SVE task to be closed.

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

RCP/pmf
Attachment

cc: Steve Schwabauer, City Attorney
Wally Sandelin, City Engineer
George Bradley, Street Superintendent

24 April 2006
3923.12.0001

Mr. Richard Prima
Public Works Department
City of Lodi
221 West Pine Street
Lodi, California 95240

Subject: Proposed Scope, Schedule and Budget
Central Plume Remediation – Phase 1
Dual Phase Groundwater and Soil Vapor Extraction
Central Plume Area
Lodi, California

Dear Mr. Prima:

Treadwell & Rollo, Inc. is pleased to submit this proposal to design, install, and operate a single-well dual phase extraction (DPE) system (Phase 1) in the source area of the Central Plume Area in Lodi, California. The purpose of phasing this work is to demonstrate the effectiveness of DPE in reducing perchloroethene (PCE) and other halogenated volatile organic compounds (HVOCs) in saturated and unsaturated soil and in groundwater, and in mitigating the current calculated indoor air risk determined to exist in certain buildings in the Central Plume source area bound by Pine Street to the north, Pleasant Street to the west, Oak Street to the south, and Church Street to the east.

We believe that DPE can be used to remediate the HVOCs known to be present in the Central Plume source area at a potentially significant cost savings when compared to the soil vapor extraction/air sparging/groundwater extraction system remedial approach presented in the *Remedial Investigation/Feasibility Study Lodi Central Plume Area, Lodi, California* by Levine Fricke Recon dated 16 August 2004. The work described in this proposal is an amendment to the work currently underway in the Central Plume, referred to as the Interim Soil Vapor Extraction System (ISVES). Certain tasks currently scheduled for performance under that scope of work can be folded into the DPE Phase 1 work, eliminating potential overlap of work and expense. For example, the reporting and the operations and maintenance tasks currently budgeted for the ISVES can be combined with the DPE Phase 1 work, resulting in an early close-out of the ISVES. We will also use the above-ground treatment system located behind the Guild facility to treat the additional soil vapor extracted during the DPE Phase 1 work, further leveraging prior work and reducing overall project costs.

The proposed DPE work will use a single well for both soil vapor and groundwater extraction. In the Central Plume, PCE is known to be present in high concentrations in soil above and below the water table, and in groundwater. Although free-phase, or dense non-aqueous phase liquids (DNAPL) such as PCE have not been visually observed in soil samples collected in the Central

Treadwell & Rollo, Inc. Environmental & Geotechnical Consultants
555 Montgomery Street, Suite 1300, San Francisco, California 94111
Telephone (415) 955-9040, Facsimile (415) 955-9041

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 2

Plume, the high concentrations of dissolved PCE and other HVOCs in groundwater suggest that DNAPLs are likely present and continue to be a source for dissolved-phase HVOCs in groundwater. By lowering the groundwater table in areas where DNAPL is potentially present, a greater mass of contaminated soil becomes available for remediation by soil vapor extraction (SVE). As SVE is a proven and relatively cost-effective and rapid remediation measure, this typically results in quicker overall soil remediation. The extraction and treatment of contaminated groundwater is also beneficial as it captures contaminated groundwater that would typically flow downgradient and contribute to the larger groundwater contamination plume. Figure 1 presents how DPE wells combine the effectiveness of SVE and groundwater extraction in a single well.

A treatment system comprised of DPE wells should be inherently more efficient than a remedial action comprised of soil vapor-only wells and groundwater-only wells. Significant cost savings in well construction and the installation of buried pipelines connecting each well to a treatment facility are one benefit, as is a more rapid remediation of contaminants currently present below the water table. As part of this Phase 1 work we will estimate the cost savings of DPE through the life of the project.

Phase 1 will include the installation of a single DPE well in the western portion of the Central Plume source area. The well may be located either north or south of the ally, while well-head treatment systems associated with the well would be located on either Oddfellows or Beckman property. An area approximately the size of two or three parking spaces will be required. Soil vapor will be piped to the system currently operating behind Guild. Following a period of operation and data assessment, additional DPE wells would be installed at appropriate locations throughout the Central Plume source area.

Treadwell & Rollo proposes the following four tasks for the Phase 1 program to evaluate DPE as a cost effective approach to remediating the LCPA source area.

- Task 1 – Interim SVE System Optimization
- Task 2 – DPE Phase 1 Design Work Plan
- Task 3 – Implement DPE Phase 1 Test
- Task 4 – DPE Operation & Maintenance and Data and Cost Evaluation

SCOPE OF SERVICES

Our proposed tasks to implement the scope of services are as follows.

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 3

Task 1 – Interim SVE System Optimization

There are currently three SVE wells operating in the Central Plume as an interim SVE system. These wells, FSEW-3 and PSEW-1A and -1B, located south of the alley behind and to the west of Guild, are being used to provide sub-slab depressurization of buildings in the Central Plume source area to mitigate the possible migration of soil vapors containing HVOCs into residences and businesses. Our initial monitoring of the performance of these wells indicates that depressurization is not occurring over the entire source area. (Note: Our current scope of work for the ISVES work includes budget to plumb in additional SVE wells currently present in the Central Plume source area, assuming that only using wells currently plumbed into the treatment system would not generate the radii of influence needed to depressure all the building slabs in the source area. These funds can be reallocated to the DP work.)

Installation and operation of the DPE Phase 1 well will provide additional sub-slab depressurization in the western portion of the source area, and utilize the vapor-phase treatment system constructed by Guild. Some modifications to the current interim SVE system will be required to facilitate this.

We will determine how to configure the piping and blower layout of the current interim SVE system to handle the additional vapor load from the DB well. We will also follow up on our initial evaluation of the interim SVE well performance that suggests that the surface piping arrangement and well head design is likely entrapping water that is impeding vapor flow to the treatment system. As the DPE well will produce vapor with a high initial moisture content, the above-ground piping system will have to be altered to mitigate this. We will complete the efficiency evaluation, specify the design changes, retain a subcontractor to complete the changes, and restart the system.

Task 2 – DPE Phase 1 Design Work Plan

Treadwell & Rollo will prepare a work plan, construction schedule, and cost estimate to design, install, and operate a single DPE well located in the western section of the Central Plume source area. Operating the DPE well at this location will increase the subslab depressurization under the buildings in the western portion of the source area.

Specific tasks include:

- Develop DPE design specifications, including optimal well location, depth, diameter, screen length and groundwater pump size;
- Select appropriate equipment and contractors; and

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 4

- Prepare test protocols and verify cost estimate to construct the DPE well.

Task 3 – Implement DPE Phase 1 Test

The DPE test is anticipated to include installing one 4-inch diameter PVC well, 100 feet deep, with an estimated 80 feet of screen. The well will be equipped with a groundwater extraction pump that discharges to a low-profile air stripper, with treated water discharged to the sanitary sewer. The low-profile air-stripper can be located away from the DPE well, which allows flexibility in selecting the optimal DPE well location while locating the air stripper in an area that can be easily accessed and engineered. Soil vapor will be routed to the current SVE treatment system through new trench and piping. Additional blower capacity will be required to handle the increased volume of vapor that can be pulled from the DPE well.

Treadwell & Rollo will procure necessary equipment and contractors, install and operate the DPE and evaluate results. Specific tasks include:

- Procure all necessary well installation, water discharge, and air permits (likely needed for the air stripper),
- Select and procure the well pump, air stripping unit, blower, and appropriate plumbing;
- Select and procure required contractors (driller and remedial contractor);
- Oversee installation and development of the DPE well and extraction system;
- Oversee trenching, piping installation and integration into the current vapor-phase carbon treatment system (could be performed jointly by T&R and City employees);
- Perform initial system start-up and system optimization.

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 5

Installation of the DPE well and piping to the Guild SVE treatment system should be completed in approximately two weeks. We have assumed that 200 feet of trenching will be required to convey the vapor phase to the Guild system and the treated liquid phase to the storm drain. A well-head and treatment pad area roughly equivalent to two parking spaces will be required for the duration of the test. The system will require regular monitoring which we have assumed will be conducted in combination with current monitoring of the interim SVE system. We have conceptually sized the groundwater pumping system to produce approximately 10 gallons per minute for the duration of the test, which will be confirmed via a step test after installation of the DBE well and pump.

Task 4 – DPE Operation & Maintenance and Data & Cost Evaluation

During the estimated six-month initial operation period, Treadwell & Rollo will operate and maintain (O&M) the DPE system. We will also evaluate the performance of the system to determine whether this is a viable and cost effective approach to remediating the Central Plume source area contamination. Specifically, we will measure groundwater drawdown in the DPE well and selected monitoring wells, groundwater production rates, well head vacuum in the DPE well and selected monitoring wells, determine if installation of additional DPE wells would effectively remediate the soil, soil vapor, and groundwater contamination in the Central Plume source area. A comparison of the costs of a DPE source remediation program with a SVE/groundwater extraction system will be prepared. We will also make an initial evaluation of how the DPE system may be modified to provide hydraulic control of the more heavily-contaminated groundwater in the source area using recharge wells along the perimeter of the source area, and controlled injection of chemical and biological media to increase the speed and efficiency of the remediation.

The results of the evaluation will be provided in a draft and final report to the City and RWQCB. The report will include figures showing the as-built layout of the well, conveyance piping, changes to the plumbing at the Guild treatment system, water and soil vapor extraction records, calculated contaminant mass removal, laboratory analyses, and progress reports prepared during the pilot test. This report, which will be prepared in lieu of the reporting documents anticipated to be prepared for the interim soil vapor extraction system, will include the information needed to support the selection of the final remedy for the Central Plume source area.

SCHEDULE

We can begin this work immediately upon receipt of authorization. We estimate the duration for the SVE system optimization and the design, installation, start up, operation and evaluation of the DPE system will be as follows.

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 6

Task	Approximate Duration
Task 1 – Interim SVE System Optimization	3 weeks
Task 2 – DPE Phase 1 Design and Work Plan	5 weeks
Task 3 – Implement DPE Phase 1 Test	6 months
Task 4 – DPE O&M and Data & Cost Evaluation	6 months

ESTIMATED COSTS

We have estimated project costs using conservative assumptions, including a 15% contingency for construction and O&M costs. Our estimated costs are broken down by task below.

Task 1 – Interim SVE System Optimization.....	\$56,000
Task 2 – DPE Phase 1 Design and Work Plan.....	\$20,000
Task 3 – Implement DPE Phase 1 Test.....	\$144,500
Task 4 – DPE O&M and Data & Cost Evaluation.....	<u>\$26,000</u>
Design, Installation and Start Up Total	\$246,500
Six-Month O&M Total	\$55,000

The granular activated carbon (GAC) change-out costs cannot be confirmed until we have operated the pilot test and determined its efficiency and the above O&M cost may change. Other assumptions are presented above under task descriptions.

PROJECT TEAM

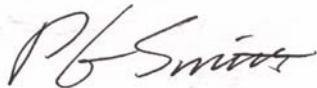
Treadwell & Rollo has enlisted the services of Haley & Aldrich to assist in the engineering tasks for this project. Haley & Aldrich has designed and operated numerous DPE wells and brings a unique level of experience to our project team. We have discussed the issue of potential conflict of interest with work they are performing for an insurance carrier of a party (Lodi Chrome) in the

Mr. Richard Prima
Public Works Department
City of Lodi
7 April 2006
Page 7

Northern Plume, and have Haley & Aldrich's assurance that there will be no communication between the engineering staff assisting us on this work and those working on the Northern Plume. Treadwell & Rollo will be in responsible charge of all work, which we anticipate will be performed under our current master service agreement with Lodi. Haley & Aldrich will provide engineering design and system performance evaluation services, supported by Treadwell & Rollo engineers. Field work will be performed by Treadwell & Rollo and task-specific contractors. As Treadwell & Rollo and Haley & Aldrich have a long history of cooperation, we anticipate that there will be seamless integration of the staff working on this project.

We propose to perform our work on a time-and-expense basis in accordance with the City of Lodi-Treadwell & Rollo terms and conditions. We will not exceed the estimated authorized total unless the scope of services changes. We appreciate the opportunity to present this proposal and look forward to assisting you on this project. If you have any questions, please call me at 415-955-9040.

Sincerely yours,
TREADWELL & ROLLO, INC.



Philip G. Smith, CPGS, REA II
Vice President

39231205.PGS

14 February 2006
Project No. 3923

Mr. Richard Prima
Public Works Department
City of Lodi
221 West Pine Street
Lodi, California 95240

RECEIVED

FEB 17 2006



CITY OF LODI
PUBLIC WORKS DEPARTMENT

Subject: Request for Certain Billing Rate Changes
~~Environmental Services Contract~~

Dear Mr. Prima:

It has come to my attention that certain billing rates for Treadwell & Rollo personnel have not been adjusted for two years. As noted in Section III of our 22 April 2004 Technical Services Task Order Agreement for Professional Services, Exhibit A, billing rates for eight named Treadwell & Rollo employees (including Smith, Shipman, Leong, and Hubbard) are set at specific values which were significantly discounted from our 2004 billing rates, with all other employees billed at a discount of 8% from standard rates at the time the work is performed.

The Agreement does not contain specific language for adjusting billing rates for the eight named employees. It is my recollection that this condition was discussed with either you or Steve Schwabauer prior to signing the agreement, with the understanding that rates could be adjusted after one year.

I would like to propose that we use the 8% rate discount for all Treadwell & Rollo employees, with the exception of my rate, which would be adjusted from \$206/hour to \$225/hour. This represents a 13% reduction from my standard rate of \$260/hour. An 8% discount to, for example, Patrick Hubbard's current billing rate of \$190/hour, results in a rate of \$174.80/hour, or \$8.80/hour more than his current Lodi rate of \$166/hour. I believe that this approach continues to provide the City with a very fair value and demonstrates our ongoing commitment to serving Lodi.

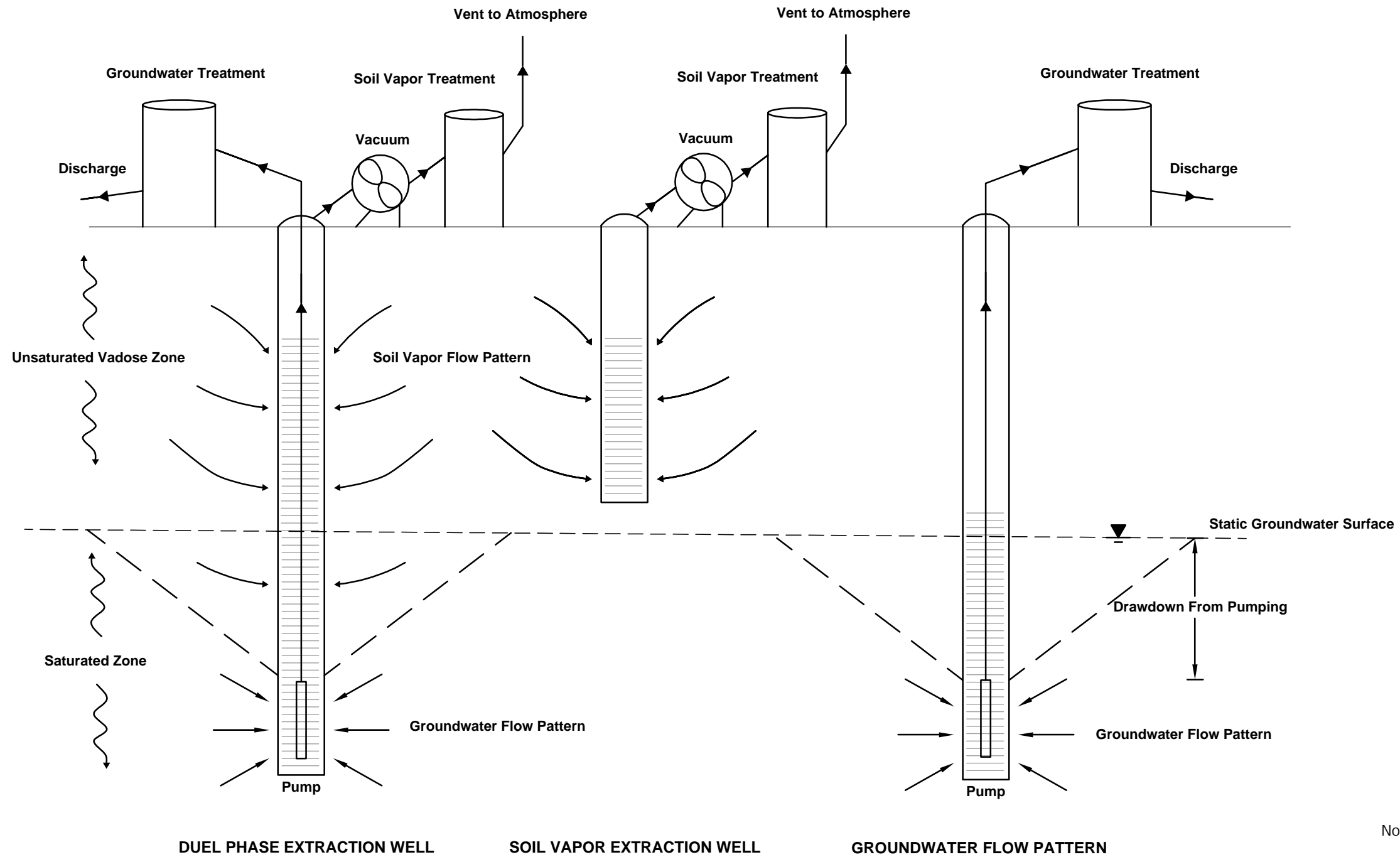
Please let me know if you are amenable to this change, which I would like to put into effect on 1 March 2006. As always, please call me with any questions.

Sincerely yours,
TREADWELL & ROLLO, INC.

Philip G. Smith, REA II
Vice President

39231203.PGS

R: \Trgraphics\3900's\3923.12_3923.14\3923.12_duel_phase_extraction_well.dwg 4/24/06



LODI GROUNDWATER CENTRAL PLUME Lodi, California		
DUEL PHASE EXTRACTION WELL - PHASE 1		
Date 04/24/06	Project No. 3923.12	Figure 1
Treadwell&Rollo		

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE TASK ORDER WITH TREADWELL & ROLLO
FOR PCE CENTRAL PLUME REMEDIATION PHASE 1 DUAL PHASE
(SOIL VAPOR AND GROUNDWATER) EXTRACTION PROJECT; AND
FURTHER TO AMEND THE 2004 MASTER AGREEMENT WITH
TREADWELL & ROLLO TO UPDATE HOURLY RATES

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby
authorizes the City Manager to execute Task Order with Treadwell & Rollo for PCE
Central Plume Remediation Phase 1 Dual Phase (Soil Vapor and Groundwater)
Extraction Project in an amount not to exceed \$302,000; and

BE IT FURTHER RESOLVED, that the City Manager is further authorized to
amend the 2004 Master Agreement with Treadwell & Rollo to update hourly rates.

Dated: May 3, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted
by the City Council of the City of Lodi in a regular meeting held May 3, 2006, by the
following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2006-_____

**TECHNICAL SERVICES TASK ORDER AGREEMENT
FOR PROFESSIONAL SERVICES
BETWEEN THE CITY OF LODI
AND
TREADWELL & ROLLO, INC.**

THIS TASK ORDER AGREEMENT, hereinafter referred to as "Agreement," made and entered into on this 22nd day of April 2004, by and between the City of Lodi, hereinafter referred to as "Client," and Treadwell & Rollo, Inc., hereinafter referred to as "Consultant."

WITNESSETH:

WHEREAS, Client is proceeding with participation in remediation studies and possible work in connection with PCE and TCE soil and groundwater contamination in Lodi referred to in draft administrative orders from the State of California Regional Water Quality Control Board and Department of Toxics Substances Control, that requires the services of a consultant; and

WHEREAS, Consultant has available and offers to provide personnel and facilities necessary to accomplish such work as may be requested by Client;

NOW, THEREFORE, Client and Consultant agree as follows:

I. DESCRIPTION OF PROJECT

Services provided shall be as described in written task orders made pursuant to and referencing this Agreement, but in general shall include engineering, analytical services, and litigation support.

II. SCOPE OF SERVICES

Consultant agrees to perform those services described in separate written task orders signed by Client and Consultant. Unless modified in writing by both parties, duties of Consultant shall not be construed to exceed those services specifically described in each task order.

III. TIME FOR COMPLETION

The time for completion of work shall be as identified in each task order issued pursuant to this Agreement.

IV. COMPENSATION

For services to be performed by Consultant, as described in each task order, Client agrees to pay, and Consultant agrees to accept, compensation as identified in each task order. Consultant shall invoice Client on a time and materials cost basis for services provided under this Agreement in accordance with the Billing Rate Schedule contained in Exhibit A unless task orders specifically indicate otherwise.

Subject to Section XVII of this agreement, Consultant may augment in-house personnel with subconsultants. Hourly rate for subconsultants shall not exceed those for equivalent in-house personnel.

Consultant shall submit invoices for services as prescribed in each task order. Client shall pay such invoices within 30 days after their receipt. If payment is not made within 30 days, interest on the unpaid balance will accrue at a rate of one (1) percent per month compounded monthly.

V. RESPONSIBILITY OF CONSULTANT

Consultant agrees that in undertaking the duties to be performed hereunder, it shall act as an independent consultant for and on behalf of Client. Client shall not direct the work and means for accomplishment of the services and work to be performed hereunder. Client, however, retains the right to require that work performed by Consultant meet specific standards without regard to the manner and means of accomplishment thereof.

Consultant shall perform the Services in a manner consistent with the level of care and skill ordinarily exercised by consultants performing comparable services under comparable circumstances in the general location of the Project Site. Notwithstanding any provision of this Agreement, Consultant makes no representation, warranty or guarantee, express or implied, and expressly disclaims any representations, warranties or guarantees, whether made orally or in writing, and whether made prior to or contemporaneously herewith.

VI. OWNERSHIP OF DOCUMENTS

All documents and other materials obtained, prepared, or created by Consultant shall be owned by Client. Consultant shall have the right to retain copies of such materials.

VII. NO THIRD PARTY RELIANCE

Consultant and Client agree that all analyses, findings, conclusions and recommendations of Consultant made pursuant to this Agreement are for the sole benefit of Client and may not be relied on by any other person.

VIII. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Client, their directors, officers, and employees from and against claims, damages, losses, and expenses (including reasonable attorneys' fees) whether incurred in a third party action or in an action brought by Client against Consultant to enforce Client's rights under this provision, arising out of performance of the work, provided that any such claim, damage, loss, or expense is caused by negligent acts or omissions of Consultant, any subconsultant employed directly by Consultant, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable.

Client agrees to indemnify, defend and save harmless Consultant, its officers, agents and employees, and any subcontractors employed by Consultant incident to this Agreement, from and against all losses, claims, costs, damages, liabilities and other expenses, including reasonable

attorneys' fees (whether incurred in a third party action or in an action brought by Consultant against Client to enforce Consultant's rights under this provision) arising out of (a) material breach or failure to perform any material provision of this Agreement by Client, or (b) the negligence, gross negligence, or willful misconduct of Client.

IX. HEALTH AND SAFETY

Client assumes all responsibility for the health and safety of all persons affected by the Project Site or the Services, except the Consultant and persons under the direct control, supervision, or direction of the Consultant.

X. INSURANCE

Consultant shall procure and maintain the following insurance policies, each of which shall provide primary coverage with respect to work performed under this Agreement.

1. Comprehensive General Liability Insurance. Insurance including premises/operations, products/completed operations, blanket contractual, and broad-form property damage liability coverages. The combined single limit for bodily injury and property damage shall not be less than \$1,000,000 per occurrence, and \$2,000,000 per year in aggregate.
2. Automobile Bodily Injury and Property Damage Liability. Insurance covering owned (if any), non-owned, rented, and leased cars. The limit shall not be less than \$1,000,000 per occurrence.
3. Workers' Compensation and Employer's Liability. Insurance as prescribed by applicable law, including liability under the Longshoreman's and Harbor Workers' Act and the Jones Act, if applicable. The employer's liability limit shall not be less than \$1,000,000.
4. Professional Liability Insurance. Insurance covering losses resulting from errors or omissions of the Consultant. The limit of liability shall not be less than \$1,000,000 per claim and in the aggregate.

Should Consultant or any of its officers, employees, or agents be found to have been negligent in the performing of professional services or work, or to have breached any express or implied warranty, breached any representation or any provision of this Agreement, Client, all persons or entities claiming through Client and all persons or entities claiming to have in any way relied upon or been damaged by Consultant's services or work agree that the maximum aggregate amount of the liability of Consultant, its officers, employees and agents shall be limited to the total amount of the fee paid to Consultant by Client for its work performed with respect to the project, or \$500,000, whichever is greater. The Agreement price is predicated on this limitation of liability. Should Client object to this provision, then the Agreement price will be renegotiated by Consultant and Client to account for the increase in Consultant's potential liability. Any objection by Client to this limitation on liability must be conveyed to Consultant before Client's acceptance of this Agreement.

XI. ASSIGNMENT

This Agreement is binding on the heirs, successors, and assigns of the parties hereto. This Agreement may not be assigned by either Client or Consultant without the prior written consent of the other.

XII. BENEFIT

Except as herein provided, this Agreement shall inure to the benefit of the assigns, heirs, and successors of the parties to this Agreement.

XIII. TERMINATION

Client may terminate this Agreement for its convenience. Consultant shall be compensated for work performed to the date of termination including a reasonable amount for profit on work accomplished and cost to terminate work.

In the event Consultant shall persistently fail to perform services and work hereunder in a manner satisfactory to Client, this Agreement may, at Client's option, be terminated. Consultant shall be compensated for completed and useful work performed to the date of termination.

Client or Consultant may terminate this Agreement at any time on 30 days prior written notice to the other party.

This Agreement shall terminate without any action of a party in the event either Client or Consultant becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors.

XIV. RIGHT OF INSPECTION AND AUDIT

Client shall at reasonable times during the term of this Agreement have reasonable access to inspect and audit project-related documents and other materials resulting from Consultant's activities pursuant to this Agreement. Client shall reimburse Consultant for Consultant's reasonable costs in assisting with any such inspections and audits.

XV. JURISDICTION

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in full force and effect.

No provision of this Agreement shall be construed for or against any party on the basis of its contribution, or lack of contribution, to the drafting of such provision, and the provisions of Section 1654 of the California Civil Code shall have no application to this Agreement. The failure of any party to enforce any provision of this Agreement shall not in any way be construed as a waiver of

any such provision and shall not prevent that party from thereafter enforcing such or any other provision of this Agreement.

XVI. NON-BINDING MEDIATION

Any dispute or controversy between the parties relating to this Agreement shall be attempted to be resolved in good faith pursuant to non-binding mediation. The parties shall attempt to select the mediator by mutual agreement. If they are unable to do so within fifteen (15) calendar days from the date the dispute is first identified by the party first to assert a claim, the party first asserting one or more claims shall provide the other party with a written list of names of five (5) potential mediators. The other party shall either select the mediator from such list, or shall provide the other party with a written list of names of five (5) additional potential mediators. The mediator thereupon shall be selected from such list of ten (10) names by the parties alternately striking names from such list, the first party to strike a name being selected by the parties' flip of a coin. The last name remaining to be stricken from the list shall be the mediator. The parties shall proceed to resolve the dispute through non-binding mediation within forty-five (45) calendar days from the date of the mediator's selection, or such longer period as the parties may mutually agree upon. If the parties are unable to resolve the dispute by such means after making every reasonable effort to do so, the parties thereafter may pursue such other remedies as may be available to them under the provisions of this Agreement and pursuant to the laws of the State of California. The paragraph shall not apply to claims made by Consultant pursuant to Mechanics Lien laws.

XVII. INTEGRATION

This Agreement represents the entire understanding of Client and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

XVIII. SUBCONTRACTS

Except with prior written approval of Client, Consultant shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

XIX. NOTICES

Any notice to a party in connection with this Agreement must be in writing and addressed to the party at its address as set forth in the Task Order, or such other address or addresses as to which the parties may notify each other from time to time. Any notices made to Consultant shall be addressed to Consultant's project manager or principal in charge of the project described in the Task Order. All notices made hereunder shall be deemed effective on receipt. Client shall notify Treadwell & Rollo, Inc. by certified mail of any change of ownership or any information provided on the Acceptance of Proposal on Authorization to Proceed. In the event client fails to notify, in writing by certified mail, any changes, Client shall be liable for all credit extended prior to said written notification as though no changes in fact occurred, without prejudice to Client's right to proceed, additionally against all successors.

TREADWELL & ROLLO, INC.


Signature

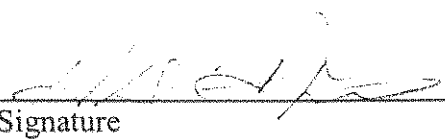
Philip Smith
Printed Name

Principal
Title

4/27/04
Date

attachment

CITY OF LODI

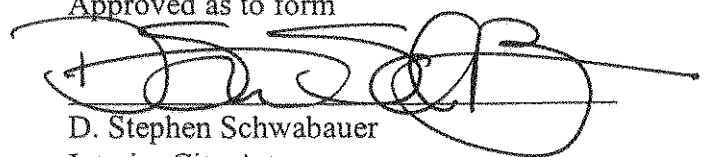

Signature

H. Dixon Flynn
Printed Name

City Manager
Title

MAY 19, 2004
Date

Approved as to form


D. Stephen Schwabauer
Interim City Attorney

ATTEST:


SUSAN J. BLACKSTON
City Clerk

Exhibit A

Billing Rate Schedule

<u>Position</u>	<u>Billing Rate</u> <u>(dollars per hour)</u>
Philip Smith	207
Michael McGuirer	184
Dorinda Shipman, Patrick Hubbard	166
David Dixon, Glenn Leong	146
Michael Chamberlain	121
Joshua Graber	106
Other Staff	8% below standard rates

Direct expenses (telephone, reproduction, postage, *etc.*) will be billed at actual cost.

Mileage will be billed at \$0.35 per mile.

Travel time will be included at the appropriate hourly rate either at 50% or one-way only.

Subconsultants as approved by the City will be billed at actual cost plus 10%.

EQUIPMENT CHARGES

Vans, Trucks	\$13.50/hr	(travel time plus time on site)
Nuclear Moisture-Density Guage	\$12.50/hr	
Special Computer or Analytical Software	\$30.00/hr	
Other Equipment	As approved by City	